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ASEAN Legislators Call for New Growth Triangle

BK2909110292 Singapore THE SUNDAY TIMES in English 27 Sep 92 p 10

[By Paul Jacob]

[Text] Jakarta—ASEAN parliamentarians yesterday ended a week-long meeting here calling on their governments to support the establishment of a "growth area" encompassing the southern Philippines and the eastern parts of Malaysia and Indonesia.

Philippine House of Representatives Speaker Raul Daza said the idea was to have the area serve as an early experiment in the kind of free-trade practices that would apply to the region when the ASEAN Free Trade Area (AFTA) is set up within 15 years.

In a resolution adopted at the end of the 13th meeting of the ASEAN Interparliamentary Organisation (AIPO), the MPs said there was a need for a "subregional trade arrangement" to be in place that would complement overall ASEAN economic cooperation when AFTA was established.

They identified the area comprising Mindanao in southern Philippines, Sandakan in Sabah, and Manado in eastern Indonesia as "most suited" because of their geographical proximity to each other and their complementary resources.

Davao City in southern Philippines was further identified as a "base of operations" because it was already the hub of business activity in the area.

The city also had good national and international information links and was served by 10 ports and an international airport capable of handling large aircraft.

"Complementarities—resources of one or two lacked by the others—which exist among the proposed members of the subregional trade arrangement, will come into play to jointly stimulate growth and development of each partner of the arrangement," the AIPO resolution said.

Apart from trade potential of the area, AIPO said that other projects could be launched as a better infrastructure—shipping and air links, telecommunications, and banking—emerged in the area.

Mr. Daza said there were many restrictions as of now in trade between the three areas "and there is not much in the way of removal of barriers."

"The idea to have that area exist as a mini AFTA open to an interflow of trade with the least or no barriers—customs, matters of security, currency, and so on.

"These would have to be worked out so the flow of trade would be as free as possible," he told The Sunday Times.

"If this can be successful on a small scale, it could be successful on an ASEAN-wide basis," he said.

Indonesian Speaker Kharis Suhud said that it was still a rough proposal, the finer details of which remained to be explored by government officials.

There was also no time frame set for when the idea should take off.

ASEAN has been supportive of concepts such as the growth triangle now existing between Singapore, Riau, and Johor.

Several leaders have also spoken of setting up a second triangle involving northern Sumatra, northeast Malaysia, and southern Thailand.

The AIPO concept is, however, the first time that a suggestion has been made to set up such an area using principles that would apply when AFTA finally takes shape.

SRV Attends Forum

BK2809075192 Hanoi VNA in English 0639 GMT 28 Sep 92

[Text] Hanoi VNA September 28—A delegation of the Vietnamese National Assembly led by Vice Chairman Phung Van Tuu attended as observer the 13th session of the ASEAN Inter-Parliamentary Organization (AIPO) which began on Sept. 22.

Addressing the gathering Phung Van Tuu expressed Vietnam's desire to see further development of friendship and cooperation with parliaments of ASEAN and all other countries. He stressed that dialogue and cooperation with Southeast Asian countries is always a priority in the Vietnamese state's foreign policy.

The vice chairman of the National Assembly reaffirmed Vietnam's position of firmly defending its sovereignty and national integrity while doing its best to avoid all acts detrimental to the confidence-building efforts and efforts to reduce tension in the region. He said Vietnam fully supports the statement of ASEAN foreign ministers on July 22, 1992 on the settlement of conflicts and guarantee of security in the region.

While in Jakarta, the Vietnamese delegation paid a courtesy visit to AIPO president who is also chairman of the Indonesian People's Consultative Assembly, and the general secretary of AIPO. It also met with the head delegates of Laos, ASEAN and European countries.

Singapore Hosts ASEAN Science, Technology Week

BK2109104892 Kuala Lumpur BERNAMA in English 0941 GMT 21 Sep 92

[Text] Singapore, Sept 21 (OANA-BERNAMA)—ASEAN has identified key technologies which are of common interest and likely to make a major impact within the grouping, Deputy Prime Minister Lee Hsien Loong said Monday.

They include food and bio-technology, microelectronics and computers, materials science and technology, energy, marine sciences, meteorology and geophysics, remote sensing and science, and technology infrastructure.

Speaking at the opening of the Third ASEAN Science and Technology Week here, Lee said ASEAN could work together in those areas to develop indigenous capabilities and train manpower in participating countries.

"For ASEAN collaborative projects to succeed, we cannot spread ourselves too thinly over too many areas of technology," he said, adding that ASEAN needed to focus efforts on selected technologies.

Lee said regional cooperation would complement and strengthen the efforts of individual ASEAN countries in science and technology because they were at different stages of technological development.

"We can gain much by collaborating and leveraging on each other's technological and scientific expertise. Cooperation can also overcome the high costs which hinder research and development in some fields," he added.

Lee said research and development cooperation across national boundaries was also the trend elsewhere while on the commercial front there was a recent wave of global alliances among electronics multinationals, particularly United States and Japanese firms, to develop the next generation of products.

"Training of scientific and technological manpower is an essential long term investment to keep ASEAN economies competitive. Our educational systems must continue to produce technically trained personnel," he added.

However, Lee said ASEAN not only needed to know how to employ existing technologies, but must also keep abreast of fresh discoveries and technological advances around the world.

"We must expose our scientists and researchers to leading-edge technologies and sciences being developed in the more advanced countries. This is necessary as ASEAN must develop its science and technology capabilities in the context of global trends," he added.

Japanese Businessmen Seek Closer ASEAN Ties

OW2809142892 Tokyo KYODO in English 1406 GMT 28 Sep 92

[Text] Singapore, Sept. 28 KYODO—Japanese business leaders on a 12-day tour of members of the Association of Southeast Asian Nations (ASEAN) said Monday that as worldwide regionalism rises, they would like to strengthen ties with ASEAN countries in the grouping.

"Japan and ASEAN are neighbors. There should be as much cooperation as possible," said Rokuro Ishikawa, leader of a Japanese economic mission on a three-day visit to Singapore, at a news conference.

The 60-member mission, organized by the Japan and Tokyo Chambers of Commerce and Industry, went to Brunei and the Philippines prior to Singapore, and will also visit Malaysia, Thailand, and Indonesia.

The growing trend toward regionalism in the West and its possible impact in terms of trade and investment diversion away from economically dynamic East Asia was discussed during the delegation's hourlong meeting with Singaporean Prime Minister Goh Chok Tong, Goh's office said.

Goh stressed the importance of the Japanese private sector to the region, saying Japanese companies possess much sought-after capital, technology, entrepreneurship, and management, his office said.

He also told the delegation that these assets of Japanese firms if used with an outward-looking frame of mind could spur faster growth in countries in the region which are rapidly opening up their economies.

Ishikawa told a news conference the trip to ASEAN countries is to commemorate the 25th anniversary of the regional grouping and keep in touch with the region following the international political and economic changes of the past two years.

Ishikawa, who is also chairman of Kajima Corp., said if regional trading blocs such as the North American Free Trade Agreement turned into "fortresses," it could have a very adverse impact on Japan and ASEAN nations.

"ASEAN countries are the growth center of the world... and as important neighbors of Japan, we wanted to see the situation first hand with our visit," he said.

Asked about how Japanese business leaders viewed the pact signed by ASEAN leaders last January to form a free trade area among member countries, Ishikawa replied, "it depends on how it evolves" and Singapore leaders had assured him of the importance of maintaining good ties with the United States.

The delegation also held discussions with senior officials of the Economic Development Board, the official investment promotion agency, who briefed it on Singapore's economy.

The mission will leave Singapore Tuesday morning for Malaysia.

Japan

U.S. Said To Link Trade Gap, Protectionism

OW2909034292 Tokyo KYODO in English 0315 GMT 29 Sep 92

[Text] Tokyo, Sept. 29 KYODO—U.S. Trade Representative Carla Hills hinted in a recent letter that Japan's growing trade surplus was partly responsible for protectionist moves in the U.S. Congress, Japan's trade minister said Tuesday.

International Trade and Industry Minister Kozo Watanabe said at a press conference after a regular cabinet meeting that Hills, in a letter to him, expressed concern over three U.S. trade bills which Japan claims have a strong protectionist tinge.

Watanabe quoted Hills as calling the bills unfavorable.

Hills, however, pointed out that strong U.S. interest in Japan's trade surplus has led to the protectionist moves, Watanabe said.

The letter was a reply to one from Watanabe urging Hills to oppose the bills, including a trade expansion bill calling for revival of the retaliatory "Super 301" provision of the U.S. Omnibus Trade Law and a comprehensive tariff revision bill to raise duties on Japanese minivans.

Watanabe welcomed the U.S. Senate's recent rejection of the tariff revision bill.

In her letter, Hills also called for joint efforts to wrap up the stalling Uruguay Round of multilateral trade talks under the General Agreement on Tariffs and Trade (GATT), Watanabe said.

Merchants Demand Scaling Down U.S. Toy Store

OW2509085592 Tokyo KYODO in English 0831 GMT 25 Sep 92

[Text] Nagoya, Sept. 25 KYODO—A toy store owners' association in central Japan asked the government Friday to have the U.S. toy retailing giant Toys 'R' Us scale down its planned store in Toyoyama near Nagoya or delay its opening.

Association officials said the request was made in a note delivered to the Nagoya regional bureau of the Ministry of International Trade and Industry.

Toys 'R' Us has announced plans to open a 3,300-square-meter store in the town in August 1993.

The 55-member association said the proposed store would seriously affect the merchants' business.

Ceremony Marks 20th Anniversary of PRC Ties

OW2909051792 Tokyo KYODO in English 0352 GMT 29 Sep 92

[Text] Tokyo, Sept. 29 KYODO—Japan and China on Tuesday marked the 20th anniversary of the normalization of their relations in a ceremony at the Chinese Embassy in Tokyo, attended by Japanese Foreign Minister Michio Watanabe and other government ministers.

In a speech at the ceremony, Watanabe said the two countries have played important roles in promoting peace and stability in the Asia-Pacific region as well as in the world.

Japan will host a ceremony later in the day at the Japanese Embassy in Beijing to be attended by Chinese Foreign Minister Qian Qichen.

Watanabe said the Japan-China relations not only contribute to the two countries but also to peace and stability in the Asia-Pacific region and the world as a process of building a new international order following the end of the cold war.

Referring to the scheduled visit in October of Emperor Akihito and Empress Michiko to China, Watanabe said, "I am convinced the visit will deepen friendship between the Japanese and the Japanese people and will open a new page in the history of the two countries."

Prior to the speech by Watanabe, Chinese Ambassador to Japan Yang Zhenya read a congratulatory telegram sent by Chinese Premier Li Peng.

Li said in the telegram that the promotion of relations between the two countries corresponds to contributing to peace, stability, and development in the Asian and Pacific regions as well as in the world.

China and Japan are neighboring countries separated only by "a narrow strip of water," Li said.

Territorial Dispute With Russia Documented

OW2909083192 Tokyo KYODO in English 0815 GMT 29 Sep 92

[Text] Tokyo, Sept. 29 KYODO—Japan and Russia on Tuesday issued a joint compendium of documents relating to their decades-old territorial dispute, Foreign Ministry officials said.

The officials said the compendium, issued with both Japanese- and Russian-language sections, is primarily aimed at providing objective information to the Russian public about the dispute over four Russian-occupied islands off Hokkaido, which were seized from Japan by the Soviet Union at the end of World War II.

The idea of jointly compiling and publishing relevant documents was put forward by the former Soviet Union last fall and agreed on formally in a meeting last March

between foreign ministers Michio Watanabe of Japan and Andrey Kozyrev of Russia.

Officials said that while the compendium contains nothing previously unrevealed to the public, its importance lies in the confirmation by both governments that the documents contained therein have a bearing on the territorial dispute.

Japan, anxious to mold the Russian public's opinion on the territorial issue by appealing to its sense of law and justice, picked up the cost of printing 2,000 copies of the compendium, 1,000 of which have been sent to Russia.

Japanese officials said the Russian public has long had only limited access to objective information about the dispute.

Among the documents are the 1855 Treaty of Shimoda, which first established boundaries between Japan and Russia and confirmed Japanese sovereignty over the disputed islands—Kunashiri, Etorofu, Shikotan, and the Habomai group of islets.

Among the documents relating to World War II in the compendium are the 1941 Japan-Soviet neutrality treaty, the 1941 Atlantic Charter, the 1943 Cairo Declaration, the February 1945 Yalta Agreement, the April 1945 Unilateral Renunciation of the Neutrality Treaty by Moscow, and its August 1945 Declaration of War on Japan.

Japan has referred to the Cairo Declaration in its territorial negotiations with Moscow, since the document reconfirms the principle of no territorial expansion by means of war, which was first set forth in the Atlantic Charter.

The Soviet Union's declaration of its accession to the Atlantic Charter is included in the compendium.

In the secret Yalta Agreement among the Soviet Union, the United States and Britain, Moscow was promised the Kuril Islands in return for its entry into the war against Japan, despite the pledge's inconsistency with the Cairo Declaration.

The compendium also mentions the Potsdam Declaration by the allies which Japan accepted in unconditionally surrendering, which said the terms of the Cairo Declaration shall be carried out.

An order issued by the U.S.-led occupation authorities designating the four islands as lying outside the scope of Japan was included, apparently at the request of Russia. But the document said the order does not represent a determination of the final disposition of the islands.

The compendium encompasses a number of documents relating to the 1951 San Francisco Peace Conference, where Japan renounced all titles and claims to the Kuril Islands.

Included is a speech by a Soviet delegate explaining his country's refusal to sign as the treaty did not confirm the actual transfer of the promised territories to the Soviet Union.

Mentioned abstractly in the compendium but not included as a document is a subsequent Foreign Ministry confirmation before the Diet that Japan renounced Kunashiri and Etorofu, they being part of the Kurils mentioned in the San Francisco Peace Treaty.

Japan now argues that the four disputed islands are distinct from the Kuril Archipelago.

In an apparent trade-off, the compendium similarly leaves out a September 1956 U.S. Government aide-memoire stating that all four islands have always been part of Japanese territory and should justly be returned to its sovereignty. The document was only mentioned without elaboration.

The compendium includes the 1956 Japan-Soviet joint declaration in which Moscow agreed to hand over Shikotan and the Habomais after a peace treaty, as well as a 1960 memorandum disavowing the offer.

The release of the compendium was originally timed to coincide with a mid-September visit to Tokyo by Russian President Boris Yeltsin but Yeltsin postponed the visit.

Hokkaido, Russian City Mayors End 2-Day Meeting

OW2709111992 Tokyo KYODO in English 1038 GMT 27 Sep 92

[Text] Wakkanai, Hokkaido Pref., Sept. 27 KYODO—Vowing in a joint communique to work for expanded exchanges, 14 city mayors from Hokkaido and the Russian far east province of Sakhalin ended a two-day meeting here Sunday, organizers said.

At separate meetings between sister cities, the mayors discussed measures to develop fishery resources in Sakhalin, as well as to promote exchange programs in music and other fields, they added.

Attending the meetings were seven city mayors from Sakhalin, including the mayor of Nevelsk which has a sister-city relationship with Wakkanai on Japan's northernmost island of Hokkaido.

Wakkanai Mayor Kazuo Tsuruga said at a press meeting that the mayors hope to hold regular meetings alternately in Sakhalin and Hokkaido.

EPA Chief Urges Russian Reforms Before Aid

OW2909051892 Tokyo KYODO in English 0357 GMT 29 Sep 92

[Text] Tokyo, Sept. 29 KYODO—The head of the Economic Planning Agency (EPA), Takeshi Noda, told the cabinet Tuesday that Russia should not seek to just borrow money without implementing reforms, a cabinet source said.

The source said other cabinet members agreed in general that Japan should proceed with economic assistance but that it should not be "too soft" on Moscow.

Noda also criticized as "unrealistic" pressure on Russia by the International Monetary Fund (IMF) to get it to accelerate the privatization of state monopolies.

The EPA has advised Russia to split up state-run companies as they are privatized to ensure fair cooperation and to take a more gradual approach to economic reforms.

Finance Minister Tsutomu Hata, recently returned from an IMF meeting in Washington that discussed financial aid to Russia, told Noda that the IMF has become more cautious because Russian reports on the economy are delayed and appear to be at odds with reality.

Hata said it is important to assist Russia in technical areas such as revising laws to prepare the way for establishing a market economy.

Notes on Loan Exchanged With Russian Envoy

OW2809125792 Tokyo KYODO in English 1205 GMT 28 Sep 92

[Text] Tokyo, Sept. 28 KYODO—Japan exchanged notes with Russia on Monday to extend a 100 million dollar credit through the Export-Import Bank of Japan, the Japanese Foreign Ministry said.

The notes were exchanged in Moscow between Japanese Ambassador Sumio Edamura and Russian Foreign Economic Relations Minister Peter Aven, the ministry said.

The loan is part of a 2.65 billion dollar package of aid Japan has pledged to extend to Russia at a meeting of the Group of Seven industrialized nations and other international meetings.

The bank said Russia will use the Ex-Im Bank loan for imports of food packaging materials and medical supplies from Japan.

Japan had earlier expected to sign the loan agreement during a visit of Russian President Boris Yeltsin in September. Yeltsin's trip was abruptly postponed.

Bank officials said the loan is repayable over three years at an annual interest rate 0.2 percent lower than the prevalent long-term prime lending rate, which now stands at 5.5 percent.

Indonesian President Suharto Arrives for Visit

OW2709112192 Tokyo KYODO in English 1049 GMT 27 Sep 92

[Text] Tokyo, Sept. 27 KYODO—Indonesian President Suharto arrived in Tokyo Sunday evening for a three-day visit to Japan on his way home from the United Nations General Assembly session in New York.

Suharto, who arrived on a special flight, is scheduled to meet with Prime Minister Kiichi Miyazawa and Foreign Minister Michio Watanabe during his stay.

He is also expected to attend a luncheon hosted by Emperor Akihito and Empress Michiko.

Suharto is likely to brief Miyazawa on the results of the recent Non-Aligned Movement summit meeting, which he chaired in Jakarta, and to exchange ideas on the future structure and role of the U.N.

Suharto has visited Japan eight times as Indonesia's president since 1968, the last time in November 1990 to attend a ceremony marking Emperor Akihito's accession to the throne.

Meets Watanbe 29 Sep

OW2909081092 Tokyo KYODO in English 0754 GMT 29 Sep 92

[Text] Tokyo, Sept. 29 KYODO—Indonesian President Suharto urged Japan on Tuesday to lower its tariffs on lumber and allow an increased number of flights between the two countries to accommodate increased Japanese tourism.

Foreign Ministry officials said Suharto made the calls in a meeting with Foreign Minister Michio Watanabe just prior to his departure from Japan after a three-day stay.

Suharto, who met Monday with Prime Minister Kiichi Miyazawa and had an audience with Emperor Akihito, visited Japan en route home from the 47th UN General Assembly in New York.

The officials said Watanabe told Suharto the issue of tariffs on Indonesian processed wood should be tackled in the Uruguay Round of multilateral trade talks.

He foresaw an increased number of flights between Japan and Indonesia considering an international airport is being constructed in the Kansai region, encompassing the cities of Osaka, Kobe, and Kyoto, and the building of another terminal at Tokyo's Narita Airport.

The officials said Watanabe suggested to Suharto that Indonesia make greater efforts to prepare a business environment conducive to increased Japanese investment.

They said he specifically called for Indonesia to allow for a greater share of foreign capital in Indonesian enterprises.

Suharto was quoted as acknowledging a need to scrap some government restrictions on domestic enterprises and thus do away with "a narrow sense of nationalism."

He also reiterated his call in Monday's talks with Miyazawa that Japan open its market wider to accommodate increased exports of nonmineral commodities from Indonesia.

Urges Further Opening of Markets

OW2809103692 Tokyo KYODO in English
1001 GMT 28 Sep 92

[Text] Tokyo, Sept. 28 KYODO—Indonesian President Suharto told Japanese Prime Minister Kiichi Miyazawa on Monday that Japan should open its markets wider to Indonesian manufactured products.

Suharto, who arrived in Japan on Sunday for a three-day visit en route home from a United Nations General Assembly meeting in New York, said Jakarta aims to break away from its present overreliance on exports of oil and liquefied natural gas, Foreign Ministry officials said.

The officials said Miyazawa responded favorably to Suharto's suggestion of further opening Japan's markets to Indonesian goods.

Suharto briefed Miyazawa on results of the outcome of the recent Non-Aligned Movement summit meeting in Jakarta, which he chaired, and said there should be changes in the structure of the United Nations to make it more effective and trustworthy.

Suharto has visited Japan eight times since he first visited in 1968 as Indonesia's president. His last visit was in November 1990 to attend Emperor Akihito's enthronement ceremony.

Supports Japanese Security Council Seat

OW2809130592 Tokyo KYODO in English
1156 GMT 28 Sep 92

[Text] Tokyo, Sept. 28 KYODO—Indonesian President Suharto indicated Monday that Indonesia sees justification for permanent seats on the United Nations Security Council for Japan and Germany, but an expansion of its members should not stop there, Foreign Ministry officials said.

Suharto dropped the hint in a meeting with Japanese Prime Minister Kiichi Miyazawa, according to the officials.

The Indonesian president arrived in Japan on Sunday for a three- day visit en route home from the U.N. General Assembly in New York.

Suharto told Miyazawa that in light of the rise of Japan and Germany as economic powers, their inclusion as permanent Security Council members is a task for the international community.

But considering the council is already almost monopolized by advanced countries, other nations should also be added based on such factors as the size of their population, Suharto said.

Suharto told Miyazawa the composition of the 15-seat council, with its five permanent members and their exclusive veto power held by the victorious powers of World War II, is anachronistic in today's changed world.

Suharto was quoted as saying there is a need for "democratization" of key U.N. bodies, the Security Council in particular, so that they more closely reflect the thinking of U.N. members.

He told the prime minister democratization is a concept that should be promoted "not only within nations, but among nations."

The officials said Suharto suggested the veto power of the permanent members be reconsidered.

Miyazawa noted changes to the composition and function of the council would entail the monumental task of revising the U.N. Charter.

Miyazawa told Suharto he called for such a revision at the Security Council summit meeting last January.

Japan, currently one of the 10 nonpermanent, rotating council members, has been increasing its drive for permanent member status, with the U.N.'s 50th anniversary in 1995 as its target date for achieving that goal.

Suharto also told Miyazawa that Indonesia wants to break away from its present overreliance on exports of oil and liquefied natural gas by exporting more manufactured goods to Japan.

He called for further market-opening measures by the Japanese Government to accommodate Indonesia's desire.

Miyazawa was quoted as lauding Indonesia's diversification drive, though he said he hopes it will remain a stable supplier of energy to Japan. He pledged to cooperate with Indonesia to boost its ratio of manufactured exports, officials said.

Suharto asked Japan to extend special financial aid to countries like Indonesia to help them help other developing countries.

He said Indonesia is already extending agricultural and technical assistance to African countries, but lacks the funds to pursue such activities more vigorously.

Miyazawa responded that such a form of trilateral cooperation between Japan and developing countries is interesting and should be explored in the process of considering its future aid policies.

Officials said Suharto briefed Miyazawa on the results of the outcome of the recent non-aligned movement summit in Jakarta, which he chaired.

Suharto has visited Japan eight times since he first came as Indonesia's president in 1968, the last time being in November 1990 to attend Emperor Akihito's enthronement ceremony.

Outstanding Foreign Loans Top 7 Trillion Yen

OW2509083092 Tokyo KYODO in English
0758 GMT 25 Sep 92

[Text] Tokyo, Sept. 25 KYODO—The Overseas Economic Cooperation Fund (OECF) said Friday its outstanding balance of investment and loans was 7,000.1 billion yen as of September 17.

That is equivalent in scale to all the funds of its kind provided by the Inter-American Development Bank, the Asian Development Bank, and the African Development Bank, the OECF said.

Of the total, about 6,833.7 billion yen was provided to foreign governments and organizations in yen credits, and 166.4 billion yen was offered to Japanese corporations' overseas economic development assistant projects, the fund said.

OECF To Provide 1.3 Billion Yen for East Europe

OW2509093192 Tokyo KYODO in English
0842 GMT 25 Sep 92

[Text] Tokyo, Sept. 25 KYODO—Japan's official Overseas Economic Cooperation Fund (OECF) will provide 1.3 billion yen to the Japan International Development Organization to beef up assistance to Eastern Europe, officials said Friday.

The reinforcement will bring to 9 billion yen the capital of the development organization, which was jointly established by the Japanese Government and the Federation of Economic Organizations (Keidanren) to help developing countries industrialize.

The organization plans to use the funds from OECF to invest in a fast-food enterprise in Hungary together with a U.S. Government fund.

It will also invest in a potato-processing business in Poland and a nonferrous metal plant in Czechoslovakia.

Government Welcomes End of Martial Law in Burma

OW2909065792 Tokyo KYODO in English 0610 GMT 29 Sep 92

[Text] Tokyo, Sept. 29 KYODO—Japan on Tuesday welcomed the lifting of martial law by Myanmar's [Burma] ruling junta as a "forward-looking move," a Foreign Ministry spokesman said.

But Tokyo thinks the Yangon [Rangoon] government must make further positive efforts to effect the transfer of power to a civilian government as soon as possible, spokesman Masamichi Hanabusa told foreign reporters.

The junta, the state law and order restoration council, announced Saturday the lifting of martial law in three of the country's 10 military regions, including the capital of Yangon, where it had been imposed in July 1989.

Hanabusa said a series of positive measures have been taken since Gen. Than Shwe assumed leadership of the junta in April, including talks with representatives of opposition political parties, announcement of the timing for a national convention, and permission for opposition leader Aung San Suu Kyi to meet her family.

De Klerk-Mandela Peace Talks Welcomed

OW2809102092 Tokyo KYODO in English
0954 GMT 28 Sep 92

[Text] Tokyo, Sept. 28 KYODO—Japan on Monday hailed the outcome of a peace summit Saturday between South African President F.W. de Klerk and African National Congress (ANC) leader Nelson Mandela.

Foreign Ministry Spokesman Masamichi Hanabusa said in a statement Japan welcomes the resumption of negotiations between the South African Government and the ANC.

He lauded the agreement between the two men on how a constituent assembly and interim or transitional government should be constituted.

Hanabusa said Japan strongly hopes the talks will lead to an early resolution of issues which have sparked violence in the country and that they will bring about resumed dialogue between all parties concerned with an aim to quickly realizing a democratic South Africa.

Antarctic Environment Protocol Decision Pending

OW2609101592 Tokyo KYODO in English
0932 GMT 26 Sep 92

[Text] Tokyo, Sept. 26 KYODO—With the deadline nearing for signing an international protocol on protecting the environment in Antarctica, Japan will formally decide in the near future to ink the agreement, government sources said Saturday.

The government, which has been stymied by the protocol's conflicts with domestic laws and other international agreements, is concerned that Japan's international reputation may be seriously affected if it does not sign the agreement by the October 3 deadline, the sources said.

The protocol on environmental protection was adopted last October at a meeting of the Antarctica Treaty consultative parties and Japan remains the last of the 26 nations represented at the conference not to have signed the agreement.

The protocol, designed to strengthen the 1961 Antarctica Treaty, calls for a 50-year moratorium on mining in Antarctica and incorporates regulations on waste disposal, the prevention of marine pollution, and the conservation of wildlife.

The Japanese Government had originally planned to sign the protocol before the Earth Summit in June and worked to eliminate contradictions and conflicts between the protocol and domestic regulations.

Government ministries and agencies agreed on points of the protocol, but noted individual contradictions with domestic laws and other international treaties that prevented the government from forming a consensus, the sources said.

The Transport Ministry, for one, has maintained a critical stance toward the signing of the protocol since it would mean stricter standards on shipping than the international treaty prohibiting pollution by ships, which is under the ministry's jurisdiction.

Government sources, however, fearing for Japan's reputation overseas, have indicated Japan will move to sign the treaty before the deadline and forge a consensus of the ministries and agencies' opinions later, the sources said.

Bank Fears 'Dollar Crisis' in Face of Yen's Gain

OW2809110492 Tokyo KYODO in English 1042 GMT 28 Sep 92

[Text] Tokyo, Sept. 28 KYODO—A Bank of Japan official said Monday the dollar's fast drop against the yen could develop into a "dollar crisis," but the U.S. currency's dip below 120 yen would not provide an excuse for the central bank to step into currency markets.

"If the dollar falls rapidly, there could be fears of a dollar crisis," the official said after it fell to a record closing low in Tokyo of 119.65 yen.

"Even as the dollar fell below 120 yen, (market) intervention would have provided speculators with a chance to make money."

The official said the dollar's decline is chiefly due to continued turmoil in European currencies, which he said has combined with speculation about an easing of U.S. monetary policy to prompt a shift of speculative money to the yen.

In Tokyo, the dollar temporarily tumbled to a new post-World War II low of 119.55 yen amid speculation the U.S. central bank would lower its official discount rate on weak employment data for September expected Friday.

Finance Minister Hints at Intervention

OW2909030292 Tokyo KYODO in English 0252 GMT 29 Sep 92

[Text] Tokyo, Sept. 29 KYODO—Finance Minister Tsutomu Hata on Tuesday [29 September] indicated that major central banks may make a concerted intervention in the currency market to stem a further sharp upswing of the yen.

Hata told a press conference after a regular cabinet meeting that the recent movements in the exchange market have been "a little bit too fast."

"Such sharp moves in a short period of time are undesirable," he said.

"We will take appropriate steps in close contact and coordination with other countries to stabilize the currency market."

The dollar hit record lows against the yen in overseas currency markets in overnight trading, and the trend continued into the opening of the Tokyo market Tuesday morning.

Hata traced the yen's rapid strengthening to the "perception in the market of the relative stability of the yen" vis-a-vis weak European currencies.

But he said the yen's sharp rise is "temporary" in nature and is due mainly to speculation in the market.

It is not good for the currency market to fluctuate sharply in a short period of time on speculation, he said.

He also said a perception in the market that the U.S. economic recovery is weaker than expected is partly to blame for depressing the dollar.

Recent U.S. indicators show the recovery is "a bit slow," he said.

Keidanren Chairman Expresses Concern

OW2809111692 Tokyo KYODO in English 1034 GMT 28 Sep 92

[Text] Tokyo, Sept. 28 KYODO—Gaishi Hiraiwa, chairman of the Federation of Economic Organizations (Keidanren), expressed concern Monday that the yen's recent steep rise has caused damage to the domestic export industry.

Hiraiwa said at a news conference that a tolerable exchange rate is 120 yen to the dollar.

The yen's steep appreciation at a time when the domestic economy is stagnant will have an especially serious impact, he said, stressing the government should take counter-measures to prevent a further rise in the yen.

Yuji Tanahashi, vice minister of international trade and industry, said Japanese enterprises can overcome the recent appreciation of the yen.

Judging from movements of the yen in recent weeks, he said the present rate is tolerable. He added, however, that the extremely wild fluctuations of the yen's exchange rates and its swift appreciation are not welcome.

Hata: No Foreign Pressure To Cut Interest Rates

OW2809045692 Tokyo KYODO in English 0349 GMT 28 Sep 92

[Text] Tokyo, Sept. 28 KYODO—Finance Minister Tsutomu Hata said Monday other industrial nations did not pressure Japan to reduce its interest rates at the Washington meeting a week ago of financial officials.

Hata, flying back to Tokyo on Sunday from Mexico City, made the remark at a news conference while commenting on the meeting of finance ministers and central bankers from the Group of Seven (G-7) industrial nations.

Hata, who represented Japan at the meeting, later flew to Mexico City for talks with Mexican Government leaders.

He also told reporters Japan will try to help stabilize the foreign exchange market in cooperation with other countries.

The finance minister said the yen's foreign exchange rate should be determined by "economic fundamentals," rather than market speculation.

Central Bank Chief Ends U.S. Visit 24 Sep

OW2409065892 Tokyo KYODO in English 0608 GMT 24 Sep 92

[Text] Tokyo, Sept. 24 KYODO—Bank of Japan Governor Yasushi Mieno returned home Thursday [24 September] from a trip to the United States. Mieno attended a series of international financial meetings, such as those of the Group of Seven major industrialized nations, International Bank for Reconstruction and Development, and International Monetary Fund.

Miyazawa, LDP Head Agree on 30 Oct Diet Session

OW2909104992 Tokyo KYODO in English 1035 GMT 29 Sep 92

[Text] Tokyo, Sept. 29 KYODO—Prime Minister Kiichi Miyazawa and Tamisuke Watanuki, secretary general of the ruling Liberal Democratic Party, agreed Tuesday to convene an extraordinary Diet session October 30, party officials said.

In a 30-minute meeting with Miyazawa at the prime minister's official residence, Watanuki was quoted as saying that October 30 is the appropriate date for opening the Diet session, taking into consideration preparations for drawing the draft supplementary budget.

Watanuki added that he and the secretaries general of opposition parties have already agreed to that date.

Watanuki was quoted as telling Miyazawa that the session is expected to last about one month.

Watanuki reportedly told Miyazawa he intends to resume debate on political reform in the consultative body between the LDP and the opposition parties before the Diet session, and will formally propose to the opposition parties a sweeping plan to review the apportionment of seats in the House of Representatives.

The LDP plan calls for adding one seat each to nine constituencies and cutting one seat each in 10 electoral districts to redress the disparity in the vote value.

Summary Court Fines Kanemaru 200,000 Yen

OW2909051092 Tokyo KYODO in English 0458 GMT 29 Sep 92

[Text] Tokyo, Sept. 29 KYODO—The Tokyo summary court issued Tuesday an order against ruling party power broker Shin Kanemaru to pay a fine of 200,000 yen for violation of the political funds control law.

The summary court ordered Liberal Democratic Party (LDP) kingmaker Kanemaru to pay the fine for accepting 500 million yen in political donations from the Tokyo Sagawa Kyubin Co., a now-defunct parcel delivery firm.

The political funds control law bars a politician from accepting more than 1.5 million yen from any one individual or corporation in a single year.

A summary indictment, which can be issued only in the case of crimes subject to fines of up to 500,000 yen, does not require the accused to appear for trial.

SDP To Urge Diet Committee on Sagawa Scandal

OW2909113892 Tokyo KYODO in English 1107 GMT 29 Sep 92

[Text] Tokyo, Sept. 29 KYODO—The Social Democratic Party (SDP) will call for the establishment of special parliamentary committees in both chambers in the coming extraordinary Diet session to look into the Tokyo Sagawa Kyubin scandal, a senior SDP official said Tuesday.

The SDP decision, coming after similar calls by two centrist parties, Komeito and the Democratic Socialist Party (DSP), is likely to bring intensified negotiations with the ruling Liberal Democratic Party (LDP) concerning the session which is to start in late October, political observers said.

The scandal, which was caused by revelations of massive secret political donations and shady loans by Tokyo Sagawa Kyubin Co., a now-defunct trucking company, has had various political repercussions, including the resignation last month of LDP kingmaker Shin Kanemaru as the ruling party's vice president.

To resolve the issues, the SDP will ask the Justice Ministry to report on its investigation into the scandal to the budgetary committees of both houses, which are to be convened for four days each, said the SDF official, who asked not to be identified.

The called-for special committee should then deal with points which may be made known about the scandal in the budgetary committee sessions, the official said.

In a related development, a political group filed a complaint Tuesday with the Tokyo District Public Prosecutor's Office against Kanemaru and some 60 unnamed LDP members for allegedly violating the Political Funds Control Law.

The plaintiffs charged that Kanemaru had handed over portions of the 500 million yen in political donations he received from Hiroyasu Watanabe, former president of Tokyo Sagawa, to some 60 members of the LDP's Takeshita faction which Kanemaru heads.

Earlier in the day, the Tokyo Summary Court ordered Kanemaru to pay a 200,000 yen summary fine for accepting the 500 million yen in violation of the law.

Prosecutors, however, dropped other charges about the alleged distribution of the 500 million yen to the faction members, citing lack of evidence.

The Political Funds Control Law bars any individual from making political donations of more than 20 million yen and any politician from accepting more than 1.5 million yen from an individual or corporation in a single year.

Economic Organizations To Seek Political Reform

OW2809082792 Tokyo KYODO in English
0733 GMT 28 Sep 92

[Text] Tokyo, Sept. 28 KYODO—Four major Japanese economic groups will soon urge the ruling Liberal Democratic Party (LDP) to expedite a comprehensive political reform, including tighter controls on political donations, an influential business leader said Monday.

Gaishi Hiraiwa, chairman of the Federation of Economic Organizations (Keidanren), told a news conference that the summary indictment of former LDP vice president Shin Kanemaru on charges of violating regulations on political donations was "inevitable."

"It has become an urgent task to expedite political reforms. A comprehensive political reform is necessary," he said, adding that the four economic organizations will submit to the ruling party a package of concrete steps for political reforms.

Hiraiwa said he personally favors a single seat electoral system and he welcomes a transfer of power between political parties pursuing similar policies.

Noting that there is a wide gap between the "common sense of politicians and that of the people," he called for wide-ranging debates on ways for political parties and their members to collect and spend political funds.

Economic Indicators Show Improvement in July

OW2909065492 Tokyo KYODO in English 0614 GMT 29 Sep 92

[Text] Tokyo, Sept. 29 KYODO—The government's key economic forecasting gauge rose above the "boom-or-bust" line of 50 percent in July for the first time in 23 months, the Economic Planning Agency said Tuesday.

The EPA said the index of leading indicators, designed to forecast economic activity three to six months ahead, stood at a preliminary 70.0 percent in July, compared with a revised 46.2 percent in June. It was initially reported as 45.5 percent for June.

According to agency officials, any reading above 50 percent is regarded as a signal that the economy will expand, while a figure below that is viewed as a sign that the economy will contract.

The EPA said the index of coincident indicator, a measure of current economic trends, also jumped above 50 percent in July for the first time in 17 months, rising to a preliminary 55.6 percent from 40.0 percent in June.

It is the first time since August 1990 that both leading and coincident indexes have stayed above 50 percent, EPA officials said.

But they said it is too early to say whether the July figures suggest that an economic pickup lies ahead.

They said the July indexes still represent an underlying trend for the economy to continue to slow.

Three successive months in which the indexes stays above 50 percent are needed before the economy can be said to be pulling out of its slowdown, an EPA official said.

"The possibility is high that both indexes will fall below 50.0 again in August," the official said, pointing to negative effects of summer holidays on economic activity.

Seven of 10 available components that make up the leading index were positive in July, underpinned by increased housing starts, higher commodity prices, more machinery orders, and reduced inventories.

But three indicators were negative, reflecting decreased durable goods shipments, fewer new job offers, and a slowdown of money supply growth.

Three indicators, including those which measure business sentiment among small- and medium-sized corporations and the investment climate, were not available.

EPA officials noted that these yet-to-be obtained indicators could be negative, making it possible that the July leading index will be revised downward later.

Looking back at economic performance in the recent past, the EPA said the index of lagging indicators fell below 50 percent in July for the fifth consecutive month.

The lagging index fell to a preliminary 14.3 percent from a revised 25.0 percent in June. The lagging index is designed to gauge the economic performance in the recent past.

Ministry Implements 1.4 Trillion Yen Investments

OW2509143292 Tokyo KYODO in English
1315 GMT 25 Sep 92

[Text] Tokyo, Sept. 25 KYODO—The Finance Ministry implemented 1,405 billion yen worth of fiscal investments and loans Friday as part of the government's

economic stimulation package adopted at the end of August, ministry officials said.

The amount, part of 3.1 trillion yen in additional fiscal investments and loans proposed under the package, went to 14 government-backed institutions, including Housing Loan Corp. and Pension Welfare Service Public Corp., the officials said.

The ministry implemented the investments and loans under a special rule authorizing it to increase funds alloted to government-backed organizations by up to 50 percent.

Labor Study Group Urges 40-Hour Work Week

OW2809133392 Tokyo KYODO in English
1308 GMT 28 Sep 92

[Text] Tokyo, Sept. 28 KYODO—A Labor Ministry study group has urged Japanese corporations to shorten weekly working hours from the 44 hours designated by the Labor Standard Law to 40 hours starting in fiscal 1994, the group said in a report Monday.

The group attached to the labor minister also said overtime pays, which are 25 percent higher than pays for regular hours under the law, should be raised and pays for working on holidays should be set at levels higher than overtime pays on weekdays.

The report will be submitted to the Labor Ministry's advisory panel, which will draw a conclusion on these matters by the end of this year.

Based on the report, the ministry plans to present a proposal on the amendment of the law to the next ordinary session of the Diet.

The report urges a 40-hour workweek be adopted as 46 percent of all Japanese workers have two days off in a week and most Japanese corporations will cut weekly working hours to 44 hours by the end of fiscal 1993, officials said.

A group official declined to comment on to what extent overtime pays should be raised. He said, "We need to carefully avoid situations where employees try to increase overtime in view of higher pays."

On working during a holiday, the report said Japanese corporations should pay more as companies in other developed nations pay 100 to 200 percent above the regular rate for such work.

Population of 130.44 Million Predicted by 2011

OW2509120292 Tokyo KYODO in English
1130 GMT 25 Sep 92

[Text] Tokyo, Sept. 25 KYODO—Japan's population will reach a peak at 130.44 million people in 2011 and will then decline to 100 million in 2074, the Health and Welfare Ministry's Institute of Population Problems said in a report released Friday.

The aging process of Japanese society has sped up to "a globally unprecedented degree," the report said, noting that 26 years from now, one out of every four Japanese will be older than 65 years.

The average lifespan will lengthen from 76.11 years for males and 82.11 years for females (1991) to 78.27 years and 85.06 years, respectively, in 2025, according to the report.

The proportion of young people aged under 15 will decrease further due to a sinking birth rate in recent years and in 1997 will fall below the number of elderly—19.64 million.

This reverse population development trend will continue until 2000, when the number of youngsters reaches a low of 19.33 million. After a subsequent short rise it will reach a peak in 2012 and then fall again thereafter.

As of October 1, 1990, Japan had a population of 123.6 million people.

Based on the report, ministry officials said Japan's social security system will be seriously menaced by the aging society by the beginning of the 21st century if the government does not take radical measures soon.

The national pension fund faces the biggest challenge, as the number of pensioners is expected to triple within the next 30 years from 12.7 million to 30.8 million people.

At the same time the working population contributing to the pension fund through their wages will shrink slightly, so that in the year 2020 every two working people will have to support one pensioner. The present proportion is five to one.

"The situation has become severe. It is extremely urgent to fend it off," the ministry's pension bureau said after concluding that the aging process is proceeding faster than anticipated by previous surveys.

To save the pension system, the social security system committee, an advisory body to the prime minister, proposed earlier this month to gradually raise the entry age for national pensions from the present 60 years to 65 years by 2010.

The ministry's pension committee in June started deliberations on a revision of the national pension system.

To avoid the collapse of the pension fund Japanese workers will have to pay higher contributions, starting from an earlier age than at present, ministry officials said.

Public health outlays are forecast to reach 23 trillion yen in fiscal 1992, an increase over the previous fiscal year of 1.5 trillion yen.

Due to the aging of society, such outlays are projected to increase to 43 trillion yen by fiscal 2000 and then soar to an estimated 88 trillion yen by 2010—which would increase the financial burden both on individuals and the national treasury considerably.

To remedy the situation, the Health Ministry plans to merge the national pension fund and national health insurance scheme into one social security system, ministry officials said.

North Korea

Presence of U.S. Nuclear Bases in South Denounced

SK2909115992 Pyongyang KCNA in English
1027 GMT 29 Sep 92

["Unpardonable Criminal Act of Seeking Nuclear War"—KCNA headline]

[Text] Pyongyang September 29 (KCNA)—NODONG SINMUN today comments on the fact that the United States and the South Korean authorities built a U.S. nuclear submarine base in Somo islet in Chinhae, South Korea, and are bringing there submarines loaded with nuclear weapons.

This is a grave challenge to the North-South joint declaration on denuclearization and an unpardonable criminal act of seeking another war, a nuclear war, the author of the article says, and goes on:

It is like a thief crying "stop thief!" for the United States and the South Korean authorities to claim a "nuclear inspection", groundlessly carping on the North after stockpiling nuclear weapons in the nuclear bases in South Korea.

Their clamorous talk about "North's nuclear development" and "nuclear inspection" is nothing but a ruse to cover up their nuclear war policy.

Since it has been revealed by those directly concerned that there exists a U.S. nuclear base in South Korea, still frequented by nuclear submarines loaded with nuclear weapons, the United States and the South Korean authorities must frankly admit it, open all the nuclear bases and weapons in South Korea to the public and accept their overall inspection.

One cannot but take a serious note of the fact that the South Korean authorities are denying the portcall of U.S. nuclear submarines at Chinhae base.

This tells that they have no intention to implement the joint declaration on denuclearization but seek the flunkeyist and treacherous aim of prolonging their remaining days, bowing to the U.S. pressure and leaving South Korea still further as a nuclear base of outside forces.

No good results are in store for the aggressors and traitors who still seek a nuclear war against the trend of the times and the desire of the nation.

If the United States and the South Korean authorities truly intend to respect and implement the North-South joint declaration on denuclearization, they must dismantle the U.S. nuclear submarine base in Chinhae and call a halt to the portcall of nuclear submarines and take a bold decision to accept a total inspection of the U.S. nuclear bases and weapons in South Korea.

Koreans in Japan Demand Withdrawal

SK2709085692 Pyongyang KCNA in English
0804 GMT 27 Sep 92

[Text] Pyongyang September 27 (KCNA)—The Council of Koreans in Japan for Peaceful Reunification issued a statement on September 22, denouncing the U.S. and the South Korean authorities for having built a U.S. nuclear submarine base in Chinhae and continuously using it, the Tokyo-based Korean News Service reported.

The statement said:

For the U.S. and the South Korean authorities to keep and use a U.S. nuclear submarine base in South Korea proves that U.S. President Bush's announcement of the withdrawal of tactical nuclear weapons and the South Korean chief executive's "declaration on the absence of nuclear weapons" were lies. The South Korean authorities' insistence on "inspection of the same numbers" is a fig leaf to conceal the U.S. nuclear bases in South Korea.

As long as the United States keeps nuclear weapons in South Korea and threatens the DPRK, neither peace on the Korean peninsula nor peace in Asia and the world can be preserved.

The DPRK has sincerely accepted inspection by the International Atomic Energy Agency and it has been proven that there is no development of nuclear weapons and atomic energy is used only for peaceful purposes.

The United States and the South Korean authorities must show not in word but in deed that there are no nuclear weapons in South Korea.

If the South Korean authorities have an iota of national conscience, they must faithfully implement the joint declaration on denuclearization, promptly accept an overall inspection of the U.S. nuclear weapons and bases in South Korea and get the U.S. nuclear weapons and bases which might spell the scourge of nuclear war exterminating the nation totally withdrawn from there.

Article Accuses U.S. of Preventing Reunification

SK2409121392 Pyongyang KCNA in English
1019 GMT 24 Sep 92

["U.S. Imperialists Are Behind Suppression and Strangling of Pro-Reunification, Democratic Forces in South Korea"—KCNA headline]

[Text] Pyongyang September 24 (KCNA)—NODONG SINMUN today brands U.S. imperialism as the very one which has consistently committed massive terrorism and murder against the pro- reunification, democratic forces in South Korea by instigating its hand-raised pro-American, flunkeyist traitors and military fascist elements.

In a by-lined article, the paper says:

Mr. Yo Un-hyong, leader of the People's Party in South Korea, was killed on the order of Hodge, the then commander of the U.S. imperialist aggression forces occupying South Korea, right after the country was liberated on August 15, 1945. And the U.S. imperialists instigated their stooges in South Korea to murder Mr. Kim Ku after the North-South joint conference in April 1948, Mr. Cho Pong-am, leader of the progressive party of South Korea, after the war and Comrades Kim Chong-tae and Choe Yong-to after the April 19 popular uprising and committed such international terrorism as kidnapping Kim Tae-chung from Japan after the July 4 North-South joint statement was published.

The paper recalls that the U.S. imperialists engineered the Pak Chong-hui military gang to stage the "May 16 military coup", arrest in a month more than 130,000 patriots and people and put them on murderous "trials" and made Chon Tu-hwan the murderer to stage the May 17 fascist action and an unheard-of bloodbath in which thousands of Kwangju citizens calling for independence, democracy and reunification were killed with the mobilisation of several divisions, tanks, armored cars and even missiles.

Even today when the North-South agreement and the joint declaration on denuclearisation were adopted and effectuated, the U.S. imperialists, staying in South Korea, encourage the South Korean authorities to the bloody suppression of the people aspiring after independence, democracy and reunification. The Rev. Mun Ik-hwan, coed Yim Su-kyong and other visitors to the North are still under detention.

As long as the U.S. imperialists' colonial domination over and interference in South Korea continue and the flunkeyist traitors and fascist dictators remain there, the South Korean people can never get rid of misfortunes and sufferings, disasters and death, the paper says.

U.S. Position as 'Biggest Arms Dealer' Noted

SK2609110492 Pyongyang KCNA in English 1021 GMT 26 Sep 92

[Text] Pyongyang September 26 (KCNA)—The United States continues exporting weapons behind the facade of "peace" and "disarmament," according to reports.

The U.S. is the biggest arms dealer in the world. Its arms sales in 1991 worked out at 14.2 billion dollars, or more than a half of the global arms sales.

The Middle East where wars break out frequently has been a major market U.S. arms.

The U.S. sold billions of dollars worth of F-15 fighters, anti-tank shells, Patriot missiles and other weapons to Israel and other countries in the Middle East between August 1990 and December 1991.

The U.S. "proposed" to "limit the arms sales" to the Middle East in May last year, but it has continued to export weapons to this region. The arms export earnings amounted to billions of dollars in the first half of this year.

And it is selling M-60 tanks, howitzers, armoured vehicles and other sophisticated military hardware to NATO nations and other allies.

It is also exporting large quantities of weapons to Latin America, Asia and the Pacific.

It lifted its 30-year-long arms embargo on Poland, Hungary and Czechoslovakia and expanded its munitions market to these countries.

According to data published by U.S. Congress, the U.S. has extensively transferred technologies of mass-destruction weapons such as Stinger and Patriot air defence missiles, Snake air-to-air missiles and F-16 and F-18 fighters to ten odd countries and regions.

Pyongyang Banquet Celebrates PRC National Day

SK2909033092 Pyongyang Korean Central Broadcasting Network in Korean 1500 GMT 28 Sep 92

[Text] On the occasion of the 43rd anniversary of the founding of the PRC, the Committee for Cultural Relations with Foreign Countries and the Central Committee of the Korea-China Friendship Association hosted a banquet at the People's Palace of Culture on 28 September. Invited to the banquet were PRC ambassador to our country, Zheng Yi, PRC embassy personnel, and other Chinese guests.

Participating in the banquet were Chong Chun-ki, chairman of the Committee for Cultural Relations with Foreign Countries; Kim Yang-kon, deputy director of a department of the Workers Party of Korea [WPK] Central Committee; (?Yi Pyong-uk), vice minister of People's Armed Forces; Vice Foreign Minister Cho Kyu-il, and Chon Yon-ok, vice chairman of the Central Committee of the Korea-China Friendship Association and vice chairman of the Committee for Cultural Relations with Foreign Countries, and other functionaries of the relevant sectors.

Chairman Chong Chun-ki spoke at the banquet. He praised the victory of the people's revolution in China and the founding of the PRC on 1 October 1949 as great gains won by the Chinese people through protracted, arduous, and glorious struggle and as epoch- making events that opened the wide road of creating new life in China. He said that for the past 43 years since the founding of the PRC, the Chinese people have attained great success in socialist construction under the leadership of the Communist Party of China, giving full play to the revolutionary spirit of self-reliance and fortitude in building a new growing and prospering socialist China on the vast land of China.

He noted that the fraternal Chinese people are attaining great success today in the struggle to build socialism with Chinese characteristics, enjoying stability and unity, and maintaining the four cardinal principles. He said that he

wishes the fraternal Chinese people greater success in their future struggle to build a highly civilized, democratic, and modernized strong socialist state.

He said that he sends support and solidarity to the Chinese party, government, and people in their efforts to realize the reunification of the country according to the idea of one country with two systems.

He noted that as neighboring countries, Korea and China share the same mountains and rivers along their borders and their peoples are revolutionary comrades who fought together in the arduous revolutionary struggle. He said the relations between the peoples of Korea and China are friendly ones with a long historical tradition.

He stressed that the chronicle of Korea-China friendship formed and fostered by the great leader Comrade Kim Il-song with Comrade Mao Zedong, the great leader of the Chinese people and the respected Comrade Zhou Enlai is enriched today through the frequent travels and meetings between the party and state leaders of the two countries.

He said that our people will make every effort to inherit and develop the traditional Korea-China friendship generation after generation as the dear leader Comrade Kim Chong-il intends.

Ambassador Zheng Yi spoke next. He noted the significance of the founding of the PRC and the success which the Chinese people have achieved in revolution and construction for the past 43 years.

He recalled that recently, he warmly congratulated Korean comrades on the 44th anniversary of the DPRK founding. He said that the diligent and brave Korean people have attained brilliant success in building Korean-style socialism under the leadership of Comrade President Kim Il-song and the WPK under the banner of the three revolutions—ideological, technological, and cultural.

He noted the struggle the Korean people are waging today to fulfill the grand Third Seven-Year Plan. The consistent efforts of the Korean party and government, he noted, have alleviated the situation in the Korean peninsula daily in recent years and a series of progresses have been made in North-South dialogue. He added that the Chinese people are as glad as the Korean people who yearn for the reunification of their fatherland at this development.

He said that the Chinese party and government will continue in the future as they have done in the past, to support all efforts of the Korean party and government to alleviate the situation on the Korean peninsula and to realize the country's independent and peaceful reunification of the country soon. He added that he wishes the fraternal Korean people even greater success in socialist construction and in realizing the fatherland's reunification.

He stressed that China and Korea, as close neighborly countries who share the same mountains and rivers between them, have formed their friendship between their peoples through the protracted revolutionary struggle which has gained vitality as it overcame the trials of history.

He pointed out Comrade Kim Il-song's visit to China last year and Comrade Yang Shangkun's visit to Korea this year and noted that in recent years, frequent mutual visits by the leaders of the two countries have continuously strengthened and developed the friendly and cooperative relations between the two peoples. He said that the China-Korea friendship, rooted deeply in the hearts of the peoples of the two countries through their joint efforts, will certainly be passed from generation to generation and will shine forever.

The participants in the banquet toasted the immortal friendship and unity that is cemented in blood between the Korean and Chinese peoples, the long life and good health of the great leader Comrade Kim Il-song, the long life and good health of the dear leader Comrade Kim Chong-il, and the long life and good health of the respected Comrade Deng Xiaoping, Comrade Jiang Zemin, Comrade Yang Shangkun, and Comrade Li Peng.

Diplomatic Relations With Chile Set To Resume

SK2709012392 Pyongyang Korean Central Broadcasting Network in Korean 2100 GMT 26 Sep 92

[Text] Protocol on the resumption of diplomatic relations between the DPRK and the Republic of Chile:

Based on the principle of mutual respect for sovereign rights, peace, and noninterference in internal affairs, and to further develop friendly and cooperative relations in all fields, the governments of the DPRK and the Republic of Chile have decided to resume ambassadorial-level diplomatic relations. This is based on the Vienna agreement on diplomatic relations adopted on 18 April 1961.

The two countries' governments also have decided to open diplomatic missions in each other's country at a convenient time upon agreement.

25 September 1992, New York
Kim Yong-nam, foreign minister, representing the DPRK Government;
Enrique Silva Cimma, foreign minister, representing the Republic of Chile Government.

Editorial Urges More Efforts in Harvesting

SK2409122992 Pyongyang Korean Central Broadcasting Network in Korean 0006 GMT 19 Sep 92

[NODONG SINMUN 19 September editorial: "Let Us Accelerate the Harvesting Battle"]

[Text] The harvest season is here in this bumper crop year. Our party is calling for the entire party, the whole

country, and all of the people to rise up vigorously, to reap and thresh the crops cultivated with much effort throughout the year in a timely manner, and to keep them properly.

The dear leader Comrade Kim Chong-il has indicated: We should reap rice and corn and thresh them in a timely manner by concentrating our efforts on harvesting. Not even a grain should be wasted using organized harvesting, transporting, and threshing.

This year the rural villages throughout the country used science and technology in farming in conformity with the demands of the chuche-oriented farm method under the great leader Comrade Kim Il-song's wise leadership and the party's energetic guidance. This year all grains are yielding bumper crops and high yields are expected everywhere—in the mountain areas, intermediate zone, and plains.

As is the case with all farming processes—such as sowing, transplanting, and weeding—harvesting, an important farming process, will also create difficulties for maximizing the harvest if it is not done in a timely manner.

We should harvest crops in a timely manner by mobilizing all efforts, gather harvested crops rapidly by mobilizing all available haulers, and thresh them rapidly as they are hauled. Then we should dry them in the sun properly and keep them. In this way we can fill the country's rice chest without wasting a single grain. We should also concentrate all possible efforts on the harvesting in order to brilliantly sum up this year's farming and to accelerate farm preparations for next year.

Harvesting and gathering crops in a timely manner and threshing them rapidly are more important because abnormal weather is expected to continue. In such changeable, abnormal weather we cannot anticipate when and where frost will form. Thus, we should harvest crops as soon as they ripen. By doing so, we can vigorously demonstrate the correctness and vitality of our party's agriculture-first policy and give joy and satisfaction to the great leader and the dear comrade leader who have done everything for the people so that they can lead a happy life.

Harvesting vigorously and thus gathering all crops in a timely manner is the most important task facing the rural economy today. The present period is precisely the moment we should aggressively accelerate the harvesting work.

All functionaries, working people, and supporters in the rural economy sector should deeply realize the importance and significance of harvesting and threshing, unanimously launch into harvesting and threshing work, and briskly finish harvesting. Thus, they will repay the trust and expectation of the party and the leader with loyalty. They should highly display the strong fighting spirit of carrying out their assigned tasks in a revolutionary manner and upholding the party's intent with the ideological will and the firm determination to thoroughly implement the intent. This is an important guarantee for successfully implementing the harvesting battle.

Our agricultural working people who are infinitely loyal to the party and the leader have carried out unfailingly and with their own strength any difficult task the party intended and wanted. Even when abnormal weather continued they constantly increased the production of crops by thoroughly implementing the chuche-oriented farm method.

During the current harvesting battle, all party members and working people in the rural economy sector should be a model of the work style and fighting spirit they displayed in the past. Functionaries and working people in the rural economy sector should rise up vigorously with lofty ideological will and determination to unconditonally carry out the tasks intended by the party in any difficult circumstances. Thus, they should unfailingly and substantially fulfill the harvesting work assigned to them.

Success in the harvesting battle throughout the country depends greatly upon functionaries' organizational work and guidance. Experiences show that when functionaries plan and coordinate their organizational work in detail they can successfully carry out vast and difficult harvesting work.

The harvesting battle, which sums up this year's farming, can be successful only when all efforts available in the rural area, including labor and farm equipment, are mobilized. This work demands that guidance functionaries, who are playing a leading role in agricultural production, plan and coordinate their organizational work in conformity with their specific situation and lead the work properly.

Functionaries in the rural economy sector should ascertain if crops have ripened properly and, based on this, should not only establish in detail the plan for the harvesting battle, but also should reasonably arrange and assign labor and farm equipment.

Functionaries should give daily harvest battle assignments to agricultural working people and supporters and frequently summarize the status of their implementation. Increasing the utilization of farm equipment, including rice harvesting machines, is very important. Only by increasing the utilization of farm equipment, including rice harvesting machines, can we enhance the level of mechanization and free the agricultural working people from arduous work.

Guidance functionaries in the agricultural sector should lead operators of modern farm machines to increase their use of farm machines and should enhance their responsibility and role to the maximum. Guidance functionaries should also thoroughly plan and coordinate the organizational work of shifting farm equipment so that all farm equipment can be mobilized in harvesting. They should also supply spare parts for farm equipment in a

timely manner. Functionaries should make sure that crops are cut as they ripen and are hauled in a timely manner.

Grain production is expected to increase this year, the year of bumper crops. The rural economy sector should not mobilize hauling equipment, including trucks and tractors, for other work and should thoroughly plan organizational work so that hauling equipment can be mobilized only for harvested crops.

Leading by personal example makes for mightier political work than words. Functionaries in the agricultural sector should not only go to fields and threshing sites and properly command the battle there, but should also vigorously lead the masses by examplary deeds when they face arduous and difficult tasks. The honorable duty of all party members and the working people is to support harvesting actively.

Functionaries and working people in all sectors and units of the national economy, keeping in mind the importance of harvesting which sums up this year's farm work, should rise up unanimously just as they vigorously supported rural villages in response to the party's militant call during the rice transplanting season early this year and should actively support rural villages with labor, material, and technology.

The machine industry sector should actively accelerate the production of harvesters, threshers, other modern farm machines and spare parts and send them to rural areas.

Sectors and units concerned should establish thorough measures to guarantee successful support for the harvesting battle. Now that the battle has started in earnest it is important to enhance the role of all levels of party organizations.

Party organizations of all levels, including the rural economy sector, should thoroughly explain and inculcate the party's policy of vigorously waging the harvesting battle among the agricultural working people and supporters and ensure that functionaries go to rural areas to vigorously lead the masses through exemplary deeds.

Let us all mobilize for the harvesting battle in response to the party's call and fight vigorously and thus reap crops in a timely manner.

South Korea

Group Says ROK To Suffer More From NAFTA

SK2109043592 Seoul YONHAP in English
0248 GMT 21 Sep 92

[Text] Seoul, Sept. 21 (YONHAP)—South Korea is likely to suffer more than Japan and Taiwan from the North America Free Trade Agreement (NAFTA) as it has invested less in the area, the Korea Foreign Trade Association (KFTA) said Monday.

Korea's investment in the three member nations—the United States, Canada and Mexico—was 1.99 billion U.S. dollars as of end of last year, or 39.4 percent of its total overseas investment of 5.06 billion dollars, KFTA said.

This compares with Japan's 27.36 billion dollars, or 48.1 percent, and Taiwan's 1.95 billion dollars, or 41.4 percent.

Of Korean investment in the three nations, the United States took 76.4 percent (1.52 billion dollars), Canada took 23.1 percent (459 million dollars) and Mexico took 0.5 percent.

Korean investment was lower than that of Japan and Taiwan because the rivals started investing in the area before the regional economic agreement was concluded, KFTA said.

Korea's trade with members of NAFTA was 19 million dollars in the red last year, but Japan and Taiwan were 38.85 billion dollars and 8.93 billion dollars in the black, respectively, KFTA said.

ROK, U.S. Flexibility on Inspections Hinted

SK2909074992 Seoul YONHAP in English
0646 GMT 29 Sep 92

[Text] Seoul, Sept. 29 (OANA-YONHAP)—South Korea and the United States have agreed to be flexible on the frequency and sites of inter-Korean mutual nuclear inspections if North Korea agrees to accept short-notice inspections and open up all suspected sites, Chong Tae-ik, director-general of the Foreign Ministry's American Affairs Bureau, said Tuesday.

Chong returned Monday from the United States, where he met with Douglas Paal, the special presidential assistant on Asian affairs, and other officials for talks on the North Korean nuclear issue.

"If North Korea is willing to accept the two principles—special inspection and site selection that leaves no sanctuary—then we are willing to compromise on the frequency and site designation," he told reporters.

South Korea demands special inspections, which would open a suspected site with 24 hours notice and apply to military as well as civilian installations.

"South Korea and the United States believe their joint measures against North Korea's nuclear problem are having their effect such as North Korea's acceptance of inspection by the International Atomic Energy Agency (IAEA)," Chong said.

"We agreed to adhere to our principles and convince North Korea to accept inter-Korean nuclear inspection," he said.

Pyongyang demands that the two sides conduct the inspections once a year using 10 to 20 teams at once, he said.

Envoy to U.S. on Proposed Security Conference

SK2909015592 Seoul YONHAP in English 0008 GMT 29 Sep 92

[Text] Washington, Sept. 28 (YONHAP)—South Korean Ambassador to the United States Hyon Hong-chu says that a proposed security conference for Northeast Asia has to be a limited structure that could not replace the current U.S.-South Korean security arrangement.

Speaking at a seminar sponsored by the Korea-U.S. Economic Council, Hyon said Monday that President No Tae-u's proposal at the United Nations last week to hold dialogue among all countries concerned with peace in the Korean peninsula was different in its character from the proposed security conference for Northeast Asia.

No, addressing the United Nations General Assembly, proposed talks among the countries concerned to help secure lasting peace in Northeast Asia. For the talks, he named the United States, Russia, China and Japan in addition to South and North Korea.

President No made the proposal at a time when some countries in the Asia-Pacific region are showing interest in promoting a collective regional security system, similar to the Conference on Security and Cooperation in Europe (CSCE).

Hyon said that in order to form such a multilateral security conference, an inter-Korean agreement was needed first. It should not be controlled by any one power for hegemony in the region, nor should it hamper existing relations between South Korea and the United States, he said.

South Korea and the United States should try and overcome cynicism, isolationism that is trying to limit the role of the United States in the world community, and mercantilism aimed at reaping short-term profits, Hyon said.

Rampant anti-dumping suits being filed by U.S. industries against South Korean imports were undesirable from a long-term point of view, he added.

ROK-PRC Military Cooperation Said Increasing

SK2909025292 Seoul HANGUK ILBO in Korean 29 Sep 92 p 2

[Report by Yi Sang-ho from Tokyo]

[Text] On 28 September SANKEI SHIMBUN reported from Beijing that on the occasion of President No Tae-u's visit to China, discussions on military cooperation, such as exchanges between field grade officers, are being carried out full-scale between the two countries.

SANKEI SHIMBUN reported that deep discussions on military cooperation will take place in a series of contacts, including summit talks, between the two countries. It noted that Yi Pil-sop, the ROK's chairman of the Chiefs of Staff, is included as an official member of the ROK delegation.

SANKEI SHIMBUN revealed that the ROK and China are examining the possibility of mutually dispatching teams of powerful military officers. Also, regarding military issues, the ROK is trying to obtain military information on North Korea from China, while China is showing strong interest in ROK military technological information on modern warfare that is integrated with the U.S. military.

SANKEI SHIMBUN added that these kinds of moves on military cooperation between the ROK and China may cause the United States concern. Therefore, some kind of adjustments regarding this matter will be discussed at the 7 October ROK-U.S. Security Consultative Meeting in Washington.

ROK, PRC Bankers Discuss Financial Plans

SK2309020992 Seoul MAEIL KYONGJE SINMUN in Korean 22 Sep 92 p 5

[By Washington-based reporter Kim Tae-ho]

[Text] Talks have been held between the ROK and PRC central banking chairmen for the first time since our country was founded.

The Chinese People's Bank chairman, who is now in Washington to participate in the 47th annual conference of the International Bank for Reconstruction and Development and the International Monetary Fund, proposed on the morning of 21 September (local time) to Cho Sun, chairman of the Bank of Korea, to hold official talks.

On the afternoon of that day, accordingly, the chairmen of both countries' banks held historic talks at the hotel where Chairman Cho Sun is staying.

It has been learned that in the talks, they mainly discussed the financial favors plan to back the economic cooperation between the ROK and PRC after the establishment of their diplomatic relations.

It has been also learned that toward this end, both chairmen gave priority to discussing the issues of exchanging and establishing banks, of expanding communications networks, and of exchanging money between the two countries.

The meeting of the ROK-PRC central banking chairmen shows that the two countries' relations are now completely in the stage of official economic cooperation. It is expected that the speed of economic cooperation between the two countries will be greatly accelerated when the financial favors plan issue has been resolved at the talks.

Jan-Aug Trade Statistics With PRC Reported

SK2809045592 Seoul YONHAP in English 0133 GMT 28 Sep 92

[Text] Seoul, Sept. 28 (YONHAP)—South Korea had a trade surplus of 34 million U.S. dollars with China in August, putting it 19 million dollars ahead for the year so far, officials at the Trade and Industry Ministry said Monday.

Exports totaled 2.57 billion dollars, up 77.8 percent from the same eight months a year earlier, while imports stood at 2.55 billion dollars, down 16.4 percent, the officials said.

In the first half, Korea exported 1.86 billion dollars of goods to China, up 81.4 percent, and imported 1.93 billion dollars of goods, up 26.2 percent.

Trade with China, which hit a deficit of 1.07 billion dollars last year, has been in the black since May.

Korea ran up a surplus with China of 53 million dollars in May, 79 million dollars in June, 49 million dollars in July and 34 million dollars in August, wiping out the deficit of the first four months and leaving a surplus of 19 million dollars.

In August, exports to China totaled 325 million dollars, up 61.4 percent from a year before, while imports from China fell 7.2 percent to 291 million dollars.

The upturn in export performance was primarily due to the effectuation of the trade agreement between the two countries and the normalization of diplomatic relations, the officials said.

ROK, EC To Form Joint Science, Technology Body

SK2409013992 Seoul THE KOREA HERALD in English 24 Sep 92 p 3

[Text] Brussels (Special)—South Korea and the European Community (EC) agreed Wednesday to establish a joint commission on science and technology cooperation.

The agreement was made between Korean Science and Technology Minister Kim Chin-hyon and Filippo Maria Pandolfi, vice president of the European Commission.

They also agreed to sign a "Korea-EC scientific and technology cooperation accord" in a high-ranking official meeting in November, which is under review by both countries.

"Korea and the EC agreed to step up their scientific and technology cooperation in the fields of communication, energy and information, because those fields can profit both countries soon," Minister Kim told reporters.

Visiting Minister Kim asked the EC official to allow Korea to participate in a multi-million dollar research program, called "Framework Program."

The official answered positively, saying that the EC is studying to determine whether Australia and Canada are allowed to take part in the program.

Finance Minister's Speech at IMF Meeting Reported

SK2409041992 Seoul THE KOREA HERALD SUPPLEMENT in English 24 Sep 92 p 1

[Speech by Minister of Finance Yi Yong-man at the 47th IMF/World Bank annual meeting in Washington, D.C. on 23 September]

[Text] It gives me great pleasure to have this opportunity to address the 47th Annual Meetings of the International Monetary Fund and the World Bank Group.

First of all, I would like to extend a warm welcome to the delegations from new and prospective member countries, the Marshall Islands, the Federated States of Micronesia and San Marino.

With their entry, the Bretton Woods institutions have now moved much closer to realizing the dream of founding fathers. Namely, the institutions which bring together nations of the world into one family with common goals.

However, there remain many nonmember countries which have yet to join us. In particular, we hope that the Democratic People's Republic of Korea become a member by duly carrying out its international obligations.

In today's world economy, we see two contrasting and, in a sense, competing trends coexisting. One is the march towards globalism and free trade. And the other is the shift towards greater regionalism and protectionism.

Recently, however, I am concerned that the tendency towards the latter seems to be gathering momentum over the former. At this time, allow me to offer a few comments on this latest trend.

First of all, economic blocs may deal a negative impact on other countries by diverting trade from outside to inside the region. In turn, other countries will be encouraged to form their own blocs, ultimately, this will lead to retaliatory measures against other blocs, thereby disrupting the world trade order.

Secondly, the trend towards protectionism and regionalism may gather speed if the current Uruguay Round negotiations fail. Therefore, it is time for nations of the world to make mutual concessions with a long-term view for the success of the Round.

Thirdly, in spite of the Rio Declaration, there is a growing tendency among some industrialized countries to restrict trade in the name of environmental protection. I am afraid that such a development would aggravate the environmental problem by reducing world trade and retarding economic growth.

Finally, in today's highly interdependent and multipolar system, closer cooperation among the major industrialized countries is a precondition for the stable world economy. Unfortunately, however, we have yet to see satisfactory results in this area.

In a rapidly changing world economic order such as this, the roles of the Fund and the Bank are more important than ever. At this juncture, I would like to make following suggestions on their policy directions.

First, in response to the emerging trends mentioned above, the Fund must strengthen its function of multilateral surveillance and intensify its Article IV consultations.

To enhance multilateral surveillance, the Fund must try to improve the quality of policy analysis, and to effectively enforce its policy recommendations for individual member countries whose policies are judged in appropriate.

Second, to more effectively support the reform efforts of Central and Eastern European countries, the Fund and the Bank need to maintain closer working relations with other multilateral organizations.

It must also be mentioned that new support to the region should not affect in any way the existing assistance to other developing countries. Balanced assistance must be assured between the Central and Eastern European countries and the Asian countries that are moving towards market economies.

My last point concerns the transfer of technologies related to environmental protection. As proposed by Korea and adopted in Agenda 21 at the Rio Summit last June, the international organizations should commercially acquire environmentally-sound technologies from the industrialized countries and subsequently transfer them to developing countries on a non-commercial basis. I look forward to the Bank's leading role on this issue.

Turning to the Korean economy, we are continuing the steady course of market opening not only in trade but also in the services sector.

After a few years of trade surplus, we are now faced with a turnaround in the balance of payments to a deficit. Weakened industrial competitiveness and high inflation caused by soaring wages remain as hurdles to overcome. Nonetheless, we see some improvement this year thanks to our economic stabilization policy.

Despite the difficult economic situation, Korea continues to provide assistance to developing countries, fulfilling its duties as a member of the international community.

Through the Economic Development Cooperation Fund, almost $500 million have been committed since 1987. Among Asia's so-called Newly Industrialized Economies, Korea contributes the most in concession-type funds through multilateral organizations.

I am also pleased to announce on this occasion that the Korean Government will contribute to the Bank's Consultant Trust Fund, which will facilitate the transfer to developing countries Korea's experience and technology gained over the curse of development.

Turning to market opening, steady progress over the years has resulted in a liberalization rate of approximately 98 percent for both imports and foreign investment in manufacturing. A broad opening of the financial markets is also being pursued and, in January this year, the stock market was opened to foreign investors.

For a more systematic financial liberalization, we are presently formulating a "Blueprint for Financial Market Opening and Deregulation." We have even consulted with experts from the Fund and the Bank in this process.

With the end of Cold War, we are now facing a historical opportunity, where joint efforts are called for in pursuit of greater human welfare.

To the concern of many, however, we are witnessing growing trends of regionalism and protectionism, which threaten world trade.

At this point, we need to remind ourselves of the founding spirit of those who devised the Bretton Woods institutions for global economic prosperity and stability. They recognized that, while protectionism and regionalism may bring individual gains over the short-term, they would only serve to suppress the world economy's growth potential in the long-run. It was this recognition and foresight that inspired them to create these institutions.

In closing, therefore, I urge the member countries once again to rekindle the founding spirit and renew the efforts towards mutual cooperation. Moreover, I call upon the advanced nations to set an example in pursuing economic policies conducive to expansion of world trade and welfare.

We must not allow humanity's past progress to have been in vain.

Thank you.

Minister Interviewed on IMF Concerns

SK2309003092 Seoul MAEIL KYONGJE SINMUN in Korean 22 Sep 92 p 5

[Interview with ROK Finance Minister Yi Yong-man by reporter Kim Tae-ho in Washington—date not given]

[Text] [Kim Tae-ho] Would you elaborate on your itinerary at the 47th annual IMF/International Bank for Reconstruction and Development [IBRD] Congress?

[Yi Yong-man] Upon arrival, I visited the White House at U.S. President Bush's invitation. Therefore, my schedule changed a little. I will attend a reception on 21 September hosted by the Korea Development Bank. I will also attend the opening session of the congress and meet with the

Japanese finance minister, the president of the European Bank for Reconstruction and Development, and the Australian finance minister on 22 September. I will also attend a reception that the president of the IMF/IBRD will host that night. As representative of the ROK, I will deliver a keynote speech on 23 September.

[Kim] Are you planning to return home right after the congress?

[Yi] No. I will go to New York on the afternoon of 23 September to attend a reception hosted by the Asia Society. I will attend a meeting to open the permanent New York office of the Council of Banking Organizations on 24 September and return home on 27 September.

[Kim] Why did President Bush invite you?

[Yi] I do not know exactly. Probably, a result of the growth of our national power.

[Kim] What was discussed at the White House?

[Yi] A total of 40 people attended the meeting in the White House. Half of them were U.S. Government officials, and the rest were senior delegates of some member countries who are attending the congress. President Bush asked the delegates to bring success in the congress. I was the first ROK senior delegate ever invited to such an occasion. I feel proud.

[Kim] Whom did you meet on that occasion?

[Yi] I met with the finance ministers of the G-7 countries, the president of the IMF/IBRD, and delegates from Russia and China. Deputy Prime Minister Shokhin, the Russian delegate, asked me to resume aid to Russia on the ground that Russia will present its plan to repay interest by the time President Yeltsin visits the ROK. The Chinese delegate proposed that the two countries strengthen cooperation in finance since they have normalized relations.

[Kim] What is our delegation's position on the current congress?

[Yi] Neighboring countries tend to lower tariffs in trade among themselves, and regional blocs emerge as a result. Regionalism is not beneficial to global economic development. Therefore, we will stress a need to break economic blocs at the congress.

[Kim] What do you think of North Korea's admission?

[Yi] I earnestly hope that North Korea will come to the world stage at the earliest possible date. If it becomes a member of the IMF/IBRD, it can receive aid, which will greatly help the North Korean economy. There is, however, one precondition for North Korea's admission: Doubts about whether North Korea has nuclear weapons and other issues must be removed first.

[Kim] How do you feel about the current congress?

[Yi] In the previous congress, we declared graduation from IBRD aid, which means that we have changed from a recipient of aid to an aid donor. I feel proud. I also feel a sense of heavy responsibility. This is because we must have strong national power it we are to receive proper treatment in the international community.

[Kim] What do you mean by a permanent office of the Council of Banking Organizations?

[Yi] These offices are a channel that helps ROK financial organizations operating overseas exchange information on a regular basis to ensure that they operate efficiently. In addition to the New York office, we are planning to open permanent offices in various other countries of the world.

[Kim] Did the U.S. secretary of the treasury request a meeting with you?

[Yi] He did not. When I was visiting President Bush, I met with Treasury Secretary Brady. He did not, however, request a separate meeting. I think this is because conflicts between the ROK and the United States in foreign exchange matters have been significantly resolved.

Source Denies Kim Il-song To Visit PRC in '92

SK2609062792 Seoul YONHAP in English 0617 GMT 26 Sep 92

[Text] Beijing, Sept. 26 (YONHAP)—North Korean leader Kim Il-song is unlikely to visit to China next month, or any other time this year, a Western diplomatic source here said Saturday.

Reports that Kim would visit to China in October to seek support for his efforts to normalize ties with United States and to counterbalance South Korean President No Tae-u's trip were untrue, he said.

"The reports are groundless," he said. "I asked a high-ranking Chinese official if they were true, and he said no."

The Chinese official told him the possibility of Kim visiting in November was almost nil and he had received no indication that Kim would visit to China.

"Normalization of Seoul-Beijing ties and No's Beijing trip have seriously hurt Kim's pride," he said.

Given the Chinese Government's tight schedule due to visits by Japanese Emperor Akihito in mid-October and Russian President Boris Yeltsin in December along with the 14th National Congress of the Chinese Communist Party, it was impossible for Kim to visit to China this year, he said.

* North's 'Deification' of Kim Chong-il Viewed

922C0249A Seoul CHUGAN CHOSON in Korean
30 Aug 92 pp 60-62

[Article by reporter An Hui-chang: "North Korea Seriously Sets About Idolizing Kim Chong-il Through the Dissemination of Films, Poets, Songs in His Praise"]

[Text] There is nothing new about the campaign to idolize Kim Chong-il in North Korea, but the campaign has been stepped up intensively since early this year.

An official of the National Unification Board said, "With the pendulum of power swinging more and more toward Kim Chong-il since early this year, the cult of personality to improve the image of Kim Chong-il as the ruler seems to be in high gear," adding that "particularly since late April, when he became the marshal of the army, it has been noticeably so."

Generally, the cult of personality is a political maneuver designed to make the people voluntarily obedient to a leader who has no legitimacy or charisma by idolizing him. Hitler and Kim Chong-il are typical cases.

Particularly, the deification of Kim Chong-il has continued for over 20 years, and its method defies imagination and is unrivaled.

A typical method used by North Korea to idolize Kim Chong-il is one of whitewashing his anecdotes or experiences. The *Collected Anecdotes of Kim Chong-il* published on 19 September last year is a typical example. This book, a collection of what they call "impressive legends" in his praise, describes Kim Chong-il as if he were an omniscient, omnipotent mystic person. The following is the gist of the legendary story titled "A Bright Star Rose Above the Changsu Peak of Mt. Paektu":

"From a winter sparrow which appeared over the Heavenly Lake on Mt Paektu, which performs the wonders of nature, a white-haired old man received word that another rare general who would rule the world like the legendary generalissimo of Mt Paektu would be born on 16 February. Thereupon the old man used his magical arts to turn the numerous peaks into warriors and made them, who had been anxiously awaiting the appearance of the general... shot up a bright star to let the people know of Comrade Kim Chong-il's birth.

The legendary story titled "Earth Tremors Set In" depicts the power of Kim Chong-il similar to a magic wand.

"It happened when the dear leader visited Suwon People's School in Chongjin after liberation. Seeing that Korea and Japan had the same color on an old terrestrial globe, the same type which the Japanese used to use before liberation, he painted the Japanese map black. Momentarily, Japan was covered with dark clouds and a shower began to fall."

On 1 November last year Pyongyang Radio said that this collection of legendary stories—in the compilation of which Kim U-kyong, a writer belonging to Korea Literary Production Company, played a leading role—is so popular among our overseas compatriots as well the people in the North and South that the company will publish a sequel.

The idolatry campaign recently appeared once again in the military field.

For Kim Chong-il, who has no military experience at all, this campaign may be "a task that ought to be undertaken as a necessity."

On 26 June the Central Broadcasting Station uplifted the image of Kim Chong-il by calling him a "military genius" and "outstanding general," claiming that such quality had already been formed in the days under the Japanese rule, when his age was below 10, and during the Korean war.

The same radio said, "The superb military acumen and unparalleled courage of Comrade Kim Chong-il were cultivated in the operations room of the supreme headquarters and on the anvil of war amid the rifle sounds and the rumbling artillery sounds on each day of the anti-Japanese struggle and the Korean war."

The radio said, "Even when the U.S. imperialists provoked the Panmunjom incident by a brigandish stratagem and were loudly talking as if they were going to start a war momentarily, the dear leader destroyed the attempt of the scoundrels with his fearless chuckles." Distorting the facts about this incident by claiming that it was the work of the United States, the same radio praised Kim Chong-il as the very military leader who crushed that provocation.

It was in the same vein that they fabricated the story that Kim Chong-il was born in a secret camp of the Korean People's Revolutionary Army, and they launched the campaign to uncover the so-called "slogan trees" on which sagas of the anti-Japanese struggle were recorded.

The 1 February edition of MINJU CHOSON, an official paper of the State Administration Council, carried the following report concerning the "slogan trees":

"The anti-Japanese revolutionary fighters hailed the birth of the dear Comrade Kim Chong-il as a historic event heralding the appearance of the great man who would carry on from one generation to another the revolutionary chuche cause pioneered in the Paektu forests and as a great felicitation for our nation, and they highly admired him. Cherishing deep in his heart the lofty intentions and great features of the respected and beloved leader even in the hails of rifle shots and artillery shells and in the severe snow and rain storms, the dear leader Comrade Kim Chong-il nurtured uncommon wisdom and resourcefulness, unparalleled courage and an iron will, and a great revolutionary determination.

Holding him in high regard, the anti-Japanese revolutionary fighters inscribed immortal words character by character in his praise (describing him as an enlightened man whose name will shine in Korea's annals of war)."

In other words, the intention of the North Korean authorities is to publicize among the North Korean inhabitants that Kim Chong-il was born in Mt Paektu and he nurtured and refined his character as leader from his childhood.

The second method is the intensive popularization of songs, poems, and films.

North Korea wrote and popularized poems titled "Look at the Flower of Hope" and "Our Supreme Commander Comrade Kim Chong-il" when he was given the title of supreme commander, and a song titled "Salute to Marshal Kim Chong-il, leader of the WPK" when he was named a marshal of the army.

Particularly since 5 July, they have been popularizing in a big way the popular songs "We Waited" and "This Happiness in the Arms of the Respected and Beloved" and a marching song "Look at Us."

The words of the song "We Waited" read like this:

"Will our father come today? Or will he, Comrade Kim Chong-il, come tomorrow? We waited, and waited. (refrain) We waited for the day you would come like this.

"Shall we offer you songs with joy? Or shall we spread the sea of dance In supplication? (refrain)

"The looks of the father who has raised us, With each passing year, Grows our yarning for them." (refrain)

On 5 August Korea Literary Production Company announced an outline of a "national prize contest for mass literature" in honor of Kim Chong-il's birthday next year, and this contest draws attention as a new method.

In the past, prize literature contests were held as part of celebrations of Kim Il-song's birthday or the anniversaries of the party or the government.

Third method of idolatry is that of bringing into focus the personality trait of Kim Chong-il as the benevolent leader of the people through the fabrication of symbols or various events on a secular plain.

One of the most commonly cited examples in this connection is the so-called "punctiliousness" of his character demonstrated by Kim Chong-il when he made an on-the-spot tour of Unchon County, South Hwanghae Province, in 1979.

During that tour Kim saw children walking dangerously across a river over stepping-stones. At the sight, he was quoted as saying: "Let us build a bridge even for only one or two children, if not for a dozen children. How can we do things for our children, the precious treasures of the country, only by using the number of their heads as a yardstick?" He then had a bridge built for the 11 children.

The most recent typical example is the NODONG SINMUN report on a joint wedding ceremony for discharged female soldiers.

A group of 26 female soldiers who collectively volunteered to work in a coal mine upon their discharge from the active service informed Kim Chong-il of their plans to marry male miners working in the same colliery in a joint wedding ceremony, asking him to choose the wedding date for them. Kim set the day and sent gifts for them.

Speaking at the ceremony, one of the brides sang his praises saying, "The great leader, who is like the sun in heaven, has shown a real parental love like this for us miners who work in a coal mine thousands, nay, tens of thousands of ri away, and gave prominence to us on this occasion so that the whole world may know of what is happening here now. Where else can you find such a leader and such a party?"

Kim Chong-il is trying to give the North Korean inhabitants the impression that he is showing a "intense solicitude" toward them. More recently, he has been fondly using the method of sprucing up his image as a benevolent leader by issuing letters of thanks to individuals and various social organizations almost everyday.

For instance, according to Kim Chong-il's schedule of activity for 10 June as reported by a North Korean broadcast, he presented letters of thanks to Son Suk-chin, a nurse at Kosan County People's Hospital; the employees of Songchon River Garment Factory; and the employees of the Patriotic Knitwear Factory on that day.

It seems that the cult of personality is bound to continue in the future.

The reason is that it is obvious that although Kim Chong-il has all powers to all intents and purposes, it will be difficult for him to succeed the post of president or party general secretary from Kim Il-song as long as his father is alive, leaving him no choice but to attempt to build his image as a "man of unusual ability."

* North Shows Growing Tolerance of Religion

922C0245A Seoul MAEIL KYONGJE SINMUN in Korean 22 Aug 92 p 9

[Article by the editorial desk: "Noticeably Lively Activities of Religious Organizations in North Korea"—first paragraph is editorial note]

[Text] In North Korea there is a growing tendency toward freedom of religion. Activities of religious organizations are becoming noticeable, and reports on these activities are carried by official media from time to time. Can this development be taken as indicating a change of attitude on the part of the North Korean authorities, or is it a tactical gambit in the era of openness? The

following is a summary of the conclusion in the "Survey of Religion in North Korea" recently published by the Institute for Modern Society.

A primary reason for North Korea's negative view of religion in the post-liberation days was not so much the negation of religion per se as the refusal of religionists to cooperate in socialist construction in North Korea.

The conflict between the North Korean authorities and believers came to the fore over socialist reform measures such as land reform and the nationalization of major industries, and in the end the believers who refused to cooperate in the implementation of these measures became an object of suppression.

The Korean war was used as the ground for justifying the outright suppression and elimination of religion in North Korea.

North Korea, which suffered enormous human and material losses from bombings by the U.S. forces during the Korean war, fanned enmity toward the Christian faith, particularly Protestantism, by propagandizing that Christianity had been propagated as a tool of aggression, and used this charge as a political excuse to suppress religion.

Entering the 1970's, North Korea publicly asserted that it had gotten rid of religion completely, and began to attack the essence of religion.

North Korea clearly stipulated "freedom of propaganda against religion" in its new socialist constitution, stressing the reactionary nature of religion. In fact, it took the position of denying freedom of religion outright.

As for the changes in North Korea's policy on religion, the situation in North Korea until the Korean war at least compelled North Korea to maintain a negative attitude toward religion because of its social and political undertaking to build a socialist state. The North Korean authorities used this situation to gradually turn religion into a scapegoat.

But after a socialist (communist) state was built, the North Korean authorities came to attack religion as something reactionary and unscientific in nature, thereby pursing the all the more erroneous policy of confusing phenomena with real essences.

The North Korean authorities tend to view Buddhism as a kind of philosophy (religious philosophy) rather than a religion. They make a positive appraisal of the philosophical characteristics of Buddhism in view of its materialistic and dialectical properties, but make a thoroughly negative judgment of the religious properties of Buddhism by applying the logic of religious criticism.

On the other hand, they maintain an out-and-out critical view of Christianity, stressing in particular that it is a tool of U.S. aggression.

In the case of Confucianism, like that of Buddhism, they treat it as a religious and political-social thought rather than a religion per se while harshly attacking its partly religious properties. They take no serious view of Confucianism because they belive it no longer exists, being a product of the feudal times.

North Korean publications view the Islamic faith in a somewhat favorable light, but do not go beyond introducing it briefly.

The "case of Hwang Sa-yong letter (white paper)" provided the primary excuse for branding the Christian faith as an "agent of capitalist aggression." North Korea defined this case as the "case of a secret letter of treason by a Catholic believer, Hwan Sa-yong in 1801." In this letter Hwang was said to have "informed the French bishop in Beijing of an instance of suppression of the believers, urging that for the reconstruction of the church and freedom of missionary work, it is necessary to dispatch a French fleet to apply pressure on the government of the Yi dynasty." Referring to this letter, the North Korean authorities said, "this proves that from the first days of its infiltration, Catholicism had the purpose of invading our country and trained its agents for this purpose."

The North Korean history society seems to have its primary interest in confirming the truth of Kim Il-song's teachings on religion with historical facts. At the same time, tracing the anti-religious current in history is another aspect of the attitude of North Korean historians toward religion.

According to North Korean historians, religion was born of ignorance and a lack of understanding about nature in the primitive times; religion was used as a tool of rule and suppression by the ruling class in ancient times; this tendency accelerated in the medieval times and thereafter; and in modern times religion has come to be used even as a tool of aggression.

The recent revitalization of activities by religious organization and the construction of new churches and chapels in North Korea give the impression that religion is being revived there, however. This cannot but be an epochal change, considering the fact that up until the late 1970's, the North Korean authorities used to brag about the demise of religion in North Korea. Nevertheless we should not overlook the fact that this change is only superficial.

We should bear in mind that the majority of people have had no knowledge of religion and have harbored enmity toward religion for the past half century. There is plenty of room for genuine evangelic or missionary efforts of South Korean religionists to be taken by North Korea as another tool of aggression.

Many people view North Korea as a huge religious collective.

But it is impossible to conduct religious exchange with North Korea—which does not recognize religion—by simply regarding all of Korea as a single religious collective.

It follows that the point of view of regarding the North Korean system as a religious body is not appropriate at all in considering religious exchange.

Official Urges Legal Mechanism for N-S Exchanges

SK2509034292 Seoul YONHAP in English 0238 GMT 25 Sep 92

[Text] Seoul, Sept. 25 (OANA-YONHAP)—South Korea needs to set up and supplement legal mechanisms for expanded and orderly inter-Korean exchanges and cooperation, Deputy Prime Minister Choe Yong-chol said Friday.

"We need to draw up detailed agreements with North Korea, for example on investment guarantee, settlement of disputes and cross- border travel," Choe, who also is the national unification minister, told a seminar at Seoul National University.

"If necessary, we must modify the subsidiary agreement and continue to supplement mechanisms between South and North Korea," he said.

Seoul and Pyongyang adopted and put into effect a subsidiary agreement on economic, social and cultural exchanges and cooperation last week during prime ministers' talks.

South Korea would need to make its own preparatory law revisions such as on reunion of dispersed families and internal trade with North Korea when inter-Korean exchanges become active, he said.

South, North Seen Moving Toward Commonwealth

SK2909061592 Seoul YONHAP in English 0538 GMT 29 Sep 92

[Text] Seoul, Sept. 29 (YONHAP)—Deputy Prime Minister Choe Yong-chol said Tuesday that South and North Korea were in a stage that might be called a preparatory step toward the Korean commonwealth proposed by Seoul.

"The current stage of inter-Korean relations can be called a preparatory step toward the Korean commonwealth proposed by us," Choe, who also is the national unification minister, said.

Seoul would have to prepare for unification by drafting a new constitution after the problems with Pyongyang were resolved, he told a gathering of 500 Mokpo city officials and citizens.

He added, however, that tension was continuing between the two Koreas because of the hardliners in the North.

"Tension is continuing between South and North Korea as the tough line of the conservatives in Pyongyang is showing in the course of inter-Korean dialogue," he said.

North Korea was likely to maintain its policy to encourage a communist revolution in the South to control the speed of development of inter-Korean relations, prevent its collapse and mobilize its people, he said.

Customs Administration To Open Panmunjom Office

SK2009102092 Seoul KYONGHYANG SINMUN in Korean 20 Sep 92 p 2

[Text] With the North-South era of economic cooperation coming, a plan is under consideration to establish a customs office in Panmunjom.

On 19 September, the Office of Customs Administration said that because exchanges of goods and people by land will become brisk as North-South relations develop, it has decided to establish a customs office in Panmunjom. It also said that it is negotiating with the Unification Board, the Economic Planning Board, and other ministries concerned over the issue of establishing a customs office in Panmunjom.

An official of the Office of Customs Administration said: "Even though the North-South exchanges are not yet brisk because of the issue of mutual nuclear inspection and other issues irrelevant to economics, once North-South exchanges begin, they will be very brisk." He added: "Establishing mutual customs offices in Panmunjom is being promoted."

Military Leaders Pledge Political Neutrality

SK2309043492 Seoul KYONGHYANG SINMUN in Korean 23 Sep 92 p 2

[Text] Military leaders warmly welcomed President No Tae-u's declaration of his secession from the Democratic Liberal Party and formation of a neutral election management cabinet, stating that the "political burdens," which the military had to shoulder whenever elections were held, are now being removed. They stressed that the military should assume President No Tae-u's decision as an excellent opportunity to establish the political neutrality of the military.

On 22 September, high-ranking officials in the Ministry of National Defense and Joint Chiefs of Staff noted, "We are well aware that with civilians as the presidential candidates of the major ruling and opposition political parties, we will have a supreme commander of our Armed Forces who is from the civilian circle for the first time in 30 years. President No Tae-u's declaration of political neutrality will work as an excellent opportunity to establish the political neutrality of the military."

They also pointed out that "the military's political neutrality is essential for recovering the people's trust in the military and the military should assume the present occasion as a turning point in achieving it."

Many military leaders stated that such controversies as the one that took place during the past 14th general elections concerning absentee voting in the Armed Forces will not occur any more.

In a lecture at the Defense College on 17 September, just before President No Tae-u's declaration of political neutrality, Kim Chin-yong, ROK Army chief of staff, stressed "the Army's adherence to its own missions during the transition stage." In addition, through Command Letter No. 1 last February, he emphasized the military's political neutrality and the dissolution of private circles within the Army.

Poll Shows People Support No's DLP Secession

SK2509080792 Seoul CHUNGANG ILBO in Korean 23 Sep 92 p 1

[Article by reporter Chon Yong-ki]

[Text] Most of our nation's eligible voters welcomed President No Tae-u's 18 September declaration of his secession from the Democratic Liberal Party [DLP] to form a neutral, election management cabinet. However, they think that relations between President No and the DLP will not be severed but will be closely maintained.

Concerning the genuine reason behind President No's secession from the DLP, people who believe that it was prompted by "the need for the DLP to tide over present deadlocks and by conflicts of opinion with party president Kim Yong-sam" outnumber people who believe his decision was "prompted by consideration of fair and just elections."

This was revealed by JOINS [as published], a CHUNGANG ILBO-affiliated organization, in its telephone survey of 1,000 adult men and women conducted on 22 September.

According to this survey, 39.4 percent of the respondents said President No Tae-u's abandonment of party membership was an "excellent decision," while 24.3 said it was a "good decision in general." Thus, those in favor of his decision comprise 63.7 percent. On the question of whether fair and just election management will be conducted by the government with the formation of a neutral election management cabinet, however, 38.9 percent of the those surveyed said that "there will be no significant change from the past;" and 37.7 percent replied that "the elections will be conducted in a more fair and just manner than in the past."

Concerning the question about the effects of President No's current decision upon each presidential candidate, a greater number of the eligible voters surveyed answered that only Mr. Kim Yong-sam will be affected adversely while candidates of other political parties will benefit. More people (24.8 percent) believed that Mr. Kim Yong-sam's campaign was hurt rather than helped (20.7 percent). Meanwhile, 30.4 percent of the respondents answered that Mr. Kim Tae-chung's campaign will benefit, while only 11.2 percent thought it would be adversely affected.

As for Mr. Chong Chu-yong, 18.1 percent thought his campaign would benefit from the decision and 10.5 percent indicated otherwise. As for Pak Chan-chong, 11.3 percent said he will benefit while 9.3 percent thought the contrary to be the case.

A large number (25.8 percent) of respondents replied that President No decided to leave the DLP in an attempt to reverse the political situation which was disadvantageous to the DLP following the revelation of government-supported election-rigging, while other respondents (20.7 percent) said that the No Tae-u-Kim Yong-sam discord prompted No's secession from the party. Furthermore, 20.5 percent of the respondents answered that he left the party in order to ensure fair and just elections and to accomplish his 29 June declaration while 14.2 percent said that his decision was to seek personal security after expiration from his term of office.

A large number of respondents (34.6 percent) believe that the relations between President No Tae-u and the DLP will continue to be closely maintained both officially and unofficially, but 32.8 percent said that relations will be maintained only unofficially. Thus, they outnumbered the number of respondents (8.9 percent) who think that relations will be severed. In other words, most people believe that the DLP will continue to play the role of the ruling party either officially or unofficially.

Regarding future prospects of political stability, the largest group of respondents (26.2 percent) replied that there will be no significant change while 7.7 percent noted that the political situation will gain stability. Others (25.5 percent) said that the situation will stabilize somewhat. Those who said the political situation will deteriorate comprised 4.0 percent, while 23.0 percent said the situation would deteriorate somewhat. Thus, more people who were surveyed thought that the political situation will gain rather than lose stability.

Parties Start 'Bickering' Over Cabinet Shuffle

SK2309082592 Seoul YONHAP in English 0651 GMT 23 Sep 92

[Text] Seoul, Sept. 23 (YONHAP)—Less than a week after President No Tae-u proposed forming a neutral cabinet to hold a fair presidential election, the political parties have started bickering over the character and scope of the ministerial reshuffle.

President No appeared to have resolved the political impasse when he announced last Friday that he would leave the Democratic Liberal Party [DLP] and form a neutral cabinet through a meeting with the leaders of the three political parties.

The government and the party interpreted the president to mean he would make his final decision and reshuffle his cabinet on the recommendation of DLP President Kim Yong-sam, who would be the one to consult with the opposition parties.

The main opposition Democratic Party [DP] demanded, however, that the entire cabinet resign and No form something the DP called a cabinet supported by the whole nation.

The confrontation could develop into another serious issue and torpedo the current mood of compromise, erecting a further formidable obstacle to the efforts to end the perpetual state of political crisis in this country.

"The neutral cabinet should be a completely new cabinet formed outside the Democratic Liberal Party," DP head Kim Tae-chung said. "In order to form such a cabinet, the current one ought to resign en masse."

Speaking at a party executive council meeting, Kim said that it was especially important for those ministers who bore responsibility for government involvement in past elections to be replaced if they failed to resign before a cabinet reshuffle.

They should include the prime minister, the head of the Agency for National Security Planning and the home affairs, justice, and information ministers, he said.

Ministers, vice ministers and presidential secretaries who were members of the DLP should leave the party to help the president form a neutral cabinet, he said.

Kim said, however, his party would understand if President No reappointed economic ministers after they had resigned so that the government could carry through its economic policies.

But the Democratic Liberal Party, at a senior party officials meeting, reaffirmed that it opposed the opposition demand for the resignation of the entire cabinet. The demand was an opposition strategy aimed only at inducing political unrest, it said.

Pak Hui-tae, the DLP's spokesman, said the purpose of forming a neutral cabinet was to manage a fair presidential election. It was pointless for opposition parties to demand the resignation of the entire cabinet, he said.

The Democratic Party's demand was aimed only at instigating public unrest and causing the collapse of the ruling party, the spokesman said.

Kim Yong-ku, secretary-general of the DLP, said the Democratic Party's demand for non-political cabinet members such as the head of the Office of National Tax Administration and the presidential secretaries to leave the DLP infringed the individual's right to take part in politics.

Meanwhile, the Democratic Party, in an executive council meeting, confirmed it would work for the normalization of the National Assembly while pushing its demand for local elections this year. The meeting also decided to form a committee to establish party policy on the formation of a neutral cabinet by Friday.

Changed DLP-Government Status Affects Legislation

SK2109033592 Seoul YONHAP in English 0308 GMT 21 Sep 92

[Text] Seoul, Sept. 21 (YONHAP)—The change in relations between the government and the Democratic Liberal Party (DLP) after President No Tae-u leaves the party may seriously affect the passage of major economic bills, government officials said Monday.

Their basic concern is that ending consultation between the government and the party may wreak havoc with major economic programs.

The officials said they were concerned over possible policy discrepancies if bills were submitted to the National Assembly without consultations first with the DLP.

"When one looks at the background of President No's decision to leave the DLP, it's hard to expect official government-DLP coordination in the future," one government official said. "On matters that have not gone through this negotiation channel, the government has no choice but to draft the bill on its own and present it to the National Assembly."

No announced last Friday he would leave the party and form a neutral cabinet to try and ensure a fair presidential election this December.

Bills to be introduced to the National Assembly include the 1993 budget, income tax law revisions, the government grain purchase price, and restrictions on cross loan guarantees among subsidiaries.

The government and DLP have completed consultations on the first two bills, but disagree on grain purchases: The government proposes a 5-percent price increase and a purchase of 6 million soms (864 million kg) while the DLP suggests a 7-percent rise and 8.5 million soms.

The cabinet may not drastically change economic policy, but the DLP will no longer be able to count on coordination and cooperation with the government, they said.

"Campaign pledges in former elections, small or large, were charted after intimate consultations between the government and the DLP," the government official said.

"But because of the emphasis on neutrality, such past practices will become realistically impossible," he said.

Central Bank Predicts 6.6% Growth for 1992 GNP

SK2509022992 Seoul THE KOREA HERALD in English 25 Sep 92 p 8

[Text] The Korean economy will likely grow 6.6 percent this year, with a projected 6.5 percent growth in the last

half of the year, the lowest level since 5.9 percent recorded in 1981, according to the Bank of Korea.

The estimated 6.6 percent GNP growth this year is far below the 8.4 percent economic growth achieved last year.

The slower economic growth this year was largely attributed to the sharp slowdown in facility and construction investment which had led the nation's economic growth in recent years.

In sharp contrast with 11.2 percent growth last year, construction investment, which remained at the same level as last in the first half of the year, is estimated to expand by a mere 0.9 percent this year, with a projected 1 percent growth in the second half of the year.

Facility investment will likely suffer a further drop in growth from 6.4 percent expansion in the first half of the year to 3.4 percent rise in the second half, registering an annual growth rate of 4.8 percent.

The estimated 4.8 percent growth in facility investment is the lowest level since 4.8 percent expansion recorded in 1985.

The slowed facility investment, accordingly, is feared to further worsen domestic businesses' growth potential.

Meanwhile, the growth rate of private consumption will likely slow down from 7.8 percent in the first half to 6.8 percent in the second half, marking 7.3 percent for this year overall.

The nation's current account, which marked a $4.42 billion deficit in the first half of the year, will likely register $5.6 billion in red this year, with an estimated $1.2 billion deficit in the second half.

The trade account will likely chalk up a $3.1 billion deficit this year, with an estimated $200 million surplus in the second half, sharply down from $6.9 billion deficit last year.

Inflation, as measured by retail prices, is estimated to reach 6.5 percent this year, with a 3.8 percent rise in the first half and a 6.2 percent increase in the second half, sharply down from 9.3 percent gain last year.

No Tae-u Visits Beijing, Meets PRC Leaders

WA2909123392

For reportage on the visit to China by ROK President No Tae-u, including reports on his activities, speeches, news conferences, and talks with Chinese President Yang Shangkun, Premier Li Peng, and others, please see the Northeast Asia section of the 28 September China DAILY REPORT and subsequent issues.

Burma

Foreign Minister Departs for UN Session

BK2709152192 Rangoon Burma Television Network in Burmese 1330 GMT 27 Sep 92

[Text] U Ohn Gyaw, foreign minister and leader of the Burmese delegation, left Rangoon by air this afternoon to attend the 47th United Nations General Assembly which began in New York on 15 September.

The minister was seen off at Rangoon Airport by Major General Tin U, secretary-2 of the State Law and Order Restoration Council; Maj. Gen. Myo Nyunt, minister for religious affairs; Colonel Pe Thein, minister for education; Mr. Matsushiro Horikuchi, charge d'affaires of the Japanese Embassy; and responsible personnel from the Foreign Ministry.

Two employees from the Foreign Ministry acting as advisers and the minister's personal secretary accompanied the delegation leader.

Delegation members U Aye Lwin, director general from the Foreign Ministry; U Khin Maung Win, deputy director general; directors U Kyaw Tint Swe and U Thaung Tun; and Dr. Tun Shein, deputy director from the attorney general's office, had already left by air on 10 September.

Ambassador U Kyaw Min, Burma's permanent representative at the United Nations in New York, wiil act as alternate leader of the Burmese delegation, and delegation members include Burmese Ambassador U Win Aung from Bonn and Ambassador U Thaung from Washington. U Pe Than U, charge d'affaires from the Burmese Embassy in Oslo, accompanied the delegation as an adviser.

SLORC Reorganizes Township Administrative Bodies

BK2809141592 Rangoon Burma Television Network in Burmese 1330 GMT 28 Sep 92

[Declaration No. 14/92 of the State Law and Order Restoration Council; dated 28 September 1992]

[Text] Reorganization of the Township Law and Order Restoration Councils [TLORCs]

It has been over four years since the State Law and Order Restoration Council [SLORC] organized and formed TLORCs in accordance with Section-1, Subsection-B of its Declaration No. 5/88, dated 20 September 1988.

As the nation is implementing the system of multiparty democracy, and in anticipation of future administrative organizations to gain administrative experience the TLORCs have been reorganized.

TLORCs will now consist of the following personnel:

1. The Township General Administration Department staff officer as TLORC chairman;
2. The Township People's Police Force commander as TLORC member;
3. The Township Immigration and Manpower Department staff officer as TLORC member; and
4. The Township Planning Department staff officer or any township-level officer chosen by the chairman as TLORC secretary.

By the authority vested in me,
Signed: Khin Nyunt, major general, secretary-1 of SLORC.

SLORC Releases 534 Detainees From Various Jails

BK2909024192 Rangoon Radio Burma in Burmese 1330 GMT 28 Sep 92

[Text] It has been learned from authorities concerned that as of today, 534 detainees against whom action was taken under existing laws and who were serving their sentences have been screened and released in accordance with Declaration No. 11/92 of the State Law and Order Restoration Council [SLORC].

Authorities first released five detainees from the Insein Central Jail on 25 April 1992 in accordance with SLORC Declaration No. 11/92. They had been arrested under Article 10-B of the Law for Safeguarding the State from the Danger of Destructive Elements. Detainees were later also released from jails in Insein, Thayet, Toungoo, Mergui, Shwebo, Myingyan, Mandalay, Myitkyina, Tharawaddy, Moulmein, Monywa, Bassein, Sittwe, Meiktila, Tavoy, Katha, Pokokku, Prome, Ma-ubin, Myaungmya, Henzada, and Nyaung-u.

Therefore, as of today, five persons who were detained under Article 10-B of the Law for Safeguarding the State from the Danger of Destructive Elements have been released, while 529 against whom action was taken under existing laws and were serving their sentences have been released after their sentences were commuted. It has been learned that detainees will continue to be released.

Brunei, Malaysia & Singapore

Malaysia

Minister Views Planned Purchase of MiG-29s

BK2809101492 Kuala Lumpur BERNAMA in English 0839 GMT 28 Sep 92

[Text] Kuala Lumpur, Sept 28 (OANA-BERNAMA)—The new MiG-29 fighters will be procured immediately if the government decides to buy the Russian-made aircraft for the Royal Malaysian Air Force (RMAF), Defence Minister Najib Razak said Monday.

He said if the decision was for the Russian fighters, it would be made through a special allocation as there was an urgent requirement for new air superiority fighters to beef up the country's air defence system.

"The RMAF has completed a comprehensive evaluation of the aircraft type and the government will make a final decision in the near future," he told reporters.

He said: "If we go for the MiG-29, it (allocation) will be immediate." The MiG-29, codenamed "Fulcrum" by Western defence agencies, is built by the former Soviet Mikoyan Design Bureau in Russia and is said by aviation experts to be similar in performance to the U.S.-made Hornet F/A-18 and the F-16 fighters but more agile at supersonic speed.

The RMAF has been in need of a new air superiority fighter for many years as its squadron of ageing U.S.-made Northrop F-5E Tiger II air defence fighters were purchased in the mid-1970s.

Najib said the RMAF had been continuously studying the various aircraft types available to meet its requirement in the air superiority role.

On the collaboration with India on the proposed purchase of the Russian fighters, he said, "It is possible we can have collaboration with India in terms of training and engine overhaul and servicing, if necessary, but the purchase of aircraft from Russia and collaboration with India are separate matters."

Najib did not indicate how many Russian fighters might be purchased.

He also said that the first of the 28 Hawk aircraft ordered from British Aerospace (BAE) as part of the [Malaysian dollar] $4.7 billion British-Malaysia memorandum of understanding on defence equipment signed in 1988 would be delivered end of next year or early 1994.

It was reported that Malaysia had been negotiating for the past eight months for the purchase of MiG-29s at a cost of about [Malaysian dollar] $2.4 million [as received] each. India, which was the first country outside the Soviet bloc to operate the fighter, was to provide training for RMAF pilots and supply spare parts.

Security Concerns May Block Plutonium Ship

BK2409094892 Kuala Lumpur BERNAMA in English 0706 GMT 24 Sep 92

[Text] Kuala Lumpur, Sept 24 (OANA-BERNAMA)—Malaysia can cite security reasons to block a Japanese ship carrying radio-active plutonium from using the Straits of Melacca on its homeward journey from France in November.

The Law of the Sea empowers Malaysia to do so using those reasons, Science, Technology, and Environment Minister Law Hieng Ding told reporters here Thursday.

Malaysia could stop the "Akatsuki Maru" from passing through the straits under a provision in the sea law if it endangers the country, Law said.

Law was non-committal when reporters asked him whether Malaysia would exercise such power under that provision but said it would depend on the situation.

The ministry through the Foreign Ministry, had informed the Japanese Government last Saturday that Malaysia was very concerned about the ship's passage through the straits, he said.

Malaysia, Indonesia, and Singapore had objected to the Japanese vessel using the straits last week.

At last Monday's ASEAN science and environment ministers conference in Singapore, Malaysia had sought a common stand among fellow ASEAN countries in dealing with the "Akatsuki Maru".

However, a report from Tokyo on the eve of the Singapore meeting said the Japanese Government had rerouted the ship's journey so that it avoided the Straits of Melacca.

The ship was reported to be carrying a tonne of weapon-grade plutonium from France for use in Japan's power stations.

Law said his ministry was still awaiting an official reply from the Japanese Government over Malaysia's protest.

When discussing the "Akatsuki Maru" issue at last Monday's conference, Singapore, Indonesia, and Malaysia had agreed to alert each other on the ship's movement, Law said.

Malaysia had set up a committee headed by the Atomic Energy Licencing Board to monitor the ship's movement.

Japanese Tanker To Be Detained for Polluting

BK2809111292 Kuala Lumpur BERNAMA in English 0930 GMT 28 Sep 92

[Text] Kuala Lumpur, Sept 28 (OANA-BERNAMA)—The Department of Environment (DOE) is in the process of detaining the supertanker, "Nagasaki Spirit", for discharging pollutants in Malaysian waters following a collision with a container ship last week.

DOE Deputy Director Tan Meng Leng said Monday the department served a notice of detention on Semco Selvage and Marine, the Singapore-based company contracted by the owner to salvage the 95-000 tanker, at 1500 Sunday.

The notice was served under the Exclusive Economic Zone (EEZ) Act 1984 and the department had yet to receive a reply, he said.

Tan said the notice could not be served on the owner as the department still could not confirm who the owner was.

"We believe the ship belongs to the Vancouver-based owner but to date there was no reply to every letter that we had sent since the ship drifted into Malaysian waters last Wednesday," he said here.

The Nagasaki Spirit collided with the 27,000-tonne container vessel, "Ocean Blessing", just after midnight local time on 20 September, off Belawan in Northern Sumatra. Both vessels caught fire and by Wednesday, Nagasaki Spirit had drifted into Malaysian waters with its threat of a massive oil spill.

Malaysian authorities put their anti-pollution plan on alert when slicks appeared, and officials heaved a sigh of relief when the fire was put out about two days ago.

To date, 29 crew members are still missing. The Nagasaki Spirit had a crew of 25 and Ocean Blessing, 21 at the time of the mishap.

Tan also said the Penang Marine Department head, Captain Ahmad Othman, and an engineer from the department, Rusli Yusuf, were now inspecting the ship.

He said three of the 11 storage tanks were damaged and the authorities were now trying to determine its seaworthiness before sailing or towing it to a local port.

On the remaining crude oil cargo, Tan said the authorities were now determining whether to transfer it to other vessels before the ship was brought to port.

Maritime Agency 'Powerless' To Detain Tanker

BK2909072292 Kuala Lumpur Voice of Malaysia in English 0600 GMT 29 Sep 92

[Excerpt] The Maritime Enforcement Cooperation Center in Lumut says it is powerless to detain the crude oil tanker Nagasaki Spirit. The tanker was last reported as being towed towards Indonesian waters. Duty officer Hassan Ahmad said the center only coordinates cooperation as required by the Department of Environment and had no powers to detain the ship. [passage omitted].

Singapore

Australian Premier Arrives for Visit

BK2409114892 Singapore Singapore Broadcasting Corporation in English 1100 GMT 24 Sep 92

[Text] The Australian prime minister, Mr. Paul Keating, is in Singapore for a two-day official visit. He received a ceremonial welcome at the Istana [Palace] where he reviewed a 60-strong guard of honor mounted by the SAF [Singapore Armed Forces] Third Guards.

Mr. and Mrs. Keating then called on President and Mrs. Wee Kim Wee. This is followed by private talks between Mr. Keating and the prime minister, Mr. Goh Chok Tong. Singapore and Australia enjoy good relations in the political, economic, and defense areas.

Mr. Keating has been pushing for closer relations with Asia since becoming a prime minister last December. This evening Mr. and Mrs. Keating will attend the dinner hosted by Mr. and Mrs. Goh.

This is his first official visit to Singapore.

Urges 'Alliances' With Asia

BK2509161892 Singapore Singapore Broadcasting Corporation in English 1400 GMT 25 Sep 92

[Text] The visiting Australian prime minister says Australia is open for business and looks forward to strategic alliances with Asia. Mr. Paul Keating said bonds between Australia and Asia will reach a new level once both sides learn to enjoy commercial success together. Speaking at a business seminar, Mr. Keating invited independent Singapore business and joint ventures with Australia. He said that further economic transformation in Australia would open competition [words indistinct]. Australian exports have been increasingly sold in Asia and the Pacific. Last year, ASEAN became Australia's second largest regional market ahead of the European Community and North America. Mr. Keating believes the ASEAN Free Trade Area will enhance trade between ASEAN countries and non-ASEAN countries.

After the seminar, the Australian leader visited an Australian guided missile destroyer that was in Singapore after taking part in the recent exercise Starfish. He said the Five Power Defense Arrangement was getting stronger and contributing to regional stability. Mr. Keating dismissed as incorrect the notion that the American withdrawal from Subic Bay in the Philippines meant the withdrawal of the United States from the region. He said the Americans themselves had reaffirmed their presence in Asia and the Pacific. What [words indistinct] now is a closer commercial engagement by the United States. He said this would automatically bring about a strategic engagement. He stressed the need for continued support in the economic involvement of the United States in the Asia-Pacific.

The Australian prime minister has met the SIA [Singapore Airlines] chairman and managing director over SIA interests in [words indistinct] with Quantas. Mr. Keating said the prospect for SIA's bid depends on its plan for Quantas, the price it is willing to pay, and the size of the stake it wants. He said other interested parties are British Airways and Air New Zealand. Mr. Keating said all three now had substantial information about Quantas and its operations. This puts them in a position to make a judgment and enable discussions to get cleared.

Goh Chok Tong Hosts Banquet

BK2609104792 Singapore THE STRAITS TIMES in English 25 Sep 92 p 1

[By Zuraidah Ibrahim]

[Text] Singapore and Australia enjoy an easy partnership and their stakes in each other's future will increase as Australia develops closer ties with Asia, Prime Minister Goh Chok Tong said last night.

Speaking at an Istana [Palace] dinner to honour visiting Australian Prime Minister Paul Keating, he said that the two leaders had agreed to strengthen bilateral ties and expand areas of cooperation.

"The common aspects of our heritage contribute to an easy partnership and provide a good foundation to build an even better relationship," he said.

"With sincere effort on both sides, I am confident that we can develop abiding ties."

Both countries, he noted, were already co-operating in many areas, from economics to defence.

Australia's contributions to Southeast Asia and Asia-Pacific had also been considerable.

Among them was the Asia Pacific Economic Cooperation (APEC) forum, which Australia first conceived and worked hard to make a reality.

The effort, Mr. Goh said, showed Australia's far-sightedness.

Uncertainties over the Uruguay Round of the General Agreement on Tariffs and Trade, and fears of the rise of economic regionalism, had further underscored APEC's key role as the only organisation that spanned both sides of the Pacific, he said.

He pledged that Singapore, which will host the APEC secretariat by early next year, would do its best to help the group grow and develop.

Mr. Keating, accompanied by his wife, Annita, and a 26-member delegation, flew into Singapore yesterday afternoon after a five-day visit to Japan.

Under grey skies and a slight drizzle that threatened to pour, he was received by Mr. Goh in a ceremonial welcome at the Istana.

He inspected a guard of honour after the two national anthems, Advance Australia Fair and Majulah Singapura, were played.

He then called on President and Mrs. Wee Kim Wee before settling down to a one and half hour meeting with Mr. Goh, who later described the session as "fruitful".

In his dinner speech, Mr. Goh noted that while Australia had established strong ties with Britain, Europe and America, the geo-politics and economic relationships had changed sharply in recent years.

"Australia must reassess its place in the new world pattern," he said.

"I applaud Prime Minister Keating's clear statement on this, and welcome Australia's desire to identify more with Asia."

He noted that with modern communications and more Singaporeans travelling to Australia, the people of both countries would better understand each other's different traditions and values, and this could lead to closer ties.

"So long as there is mutual respect for each other's way of life, and provided we handle the occasional friction sensitively, diversity becomes a strength," he said.

In his return toast, the Australian leader said that the frankness and frequency of the dialogue between the two countries set a good pattern for what needed to be developed more broadly in the region.

His visit to Singapore, like that to Japan, was to promote better economic links.

"What we seek in Asia is partnerships. We are seeking ways in which business in Australia and Singapore can work together bilaterally and in the wider region," he said.

This morning, he will deliver a keynote address on strategic linkages at a business seminar organised by the Australian High Commission and the Economic Development Board.

Mr. Keating will also meet Senior Minister Lee Kuan Yew and Defence Minister Yeo Ning Hong. He leaves for Cambodia tomorrow.

Cambodia

PRC May Veto UN Sanctions on Khmer Rouge

BK2909013392 Bangkok BANGKOK POST in English 29 Sep 92 p 10

[Text] China may exercise its veto right as one of the five Permanent Members of the United Nations Security Council if the UN calls for trade sanctions against the Khmer Rouge, a well-informed source said.

Quoting a senior Chinese foreign ministry official, the source said China has set a pre-condition for the United Nations Transitional Authority in Cambodia (UNTAC) to improve its effectiveness in supervising the five main administrative areas in Phnom Penh.

China argues that effective UNTAC supervision of these administrative areas would ensure a "neutral political environment" for free and fair elections as required by the Paris Peace Agreement of October 1991, the source said.

China would ban a UN resolution calling for trade sanctions against the guerrillas if improvements are not made by UNTAC in this function, the source added.

The source learned of China's position in talks with senior Chinese officials in Beijing early this month.

The five main administrative areas are: foreign affairs, defence, finance, public security and information.

The Khmer Rouge have refused to join the crucial disarmament phase of the peace agreement, demanding an enhanced role for the Supreme National Council (SNC) which brings together all four Cambodian factions previously at war.

UNTAC chief Yasushi Akashi left Phnom Penh for New York yesterday, indicating that ways out of the deadlock would be discussed by the UN Security Council.

China is joined by Britain France, Russia, the United States as the five permanent members of the UN Security Council.

China's Vice Foreign Minister Xu Dunxin was in Phnom Penh and Bangkok last week for discussions with Khmer Rouge nominal leader Khieu Samphan, Cambodian Head of State Prince Norodom Sihanouk, Mr Akashi and Thailand's Deputy Permanent Secretary for Foreign Affairs Sarot Chawanawirat.

Mr Xu then said that any Khmer Rouge proposal that was in line with the Paris Peace Agreement should be given due consideration.

He voiced optimism that the guerrillas would participate in the peace process if all sides concerned continued negotiated efforts.

Thailand and Japan last month held two rounds of talks with the Khmer Rouge and put forward a mechanism—an Administrative Consultative Body—to strengthen the SNC.

The Khmer Rouge have indicated that they are open to further talks but Thailand and Japan are yet to agree to the guerrillas' proposal for setting up consultative committees "within" the existing administrative structures in Phnom Penh.

Officals Depart for UN General Assembly

Sihanouk Departs 27 Sep

BK2709135792 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1300 GMT 27 Sep 92

[Text] His Royal Highness [HRH] Prince Norodom Sihanouk—father of the nation, head of state, and chairman of the Supreme National Council [SNC] of Cambodia—and the princess consort left at 0700 on 27 September to attend the 42d UN General Assembly and visit the PRC.

Seeing off the prince and princess consort at the Pochentong International Airport were His Excellency [H.E.] Heng Samrin, honorary chairman of the Cambodian People's Party [CPP] and chairman of the State Council; H.E. Chea Sim, chairman of the CPP, National Assembly, and National Council of the Kampuchean United Front for National Construction and Defense; H.E. Hun Sen, vice chairman of the CPP and chairman of the Council of Ministers; H.E. Chea Soth, vice chairman of the Council of Ministers; H.E. Sar Kheng, vice chairman of the Council of Ministers and interior minister; H.E. General Tie Banh, vice chairman of the Council of Ministers and defense minister; Prince Norodom Chakkrapong, vice chairman of the Council of Ministers; Mrs. Men Sam-an, chairperson of the Cambodian Federation of Trade Unions; H.E. Ney Pena, vice chairman of the CPP Central Committee's Control Commission; H.E. Sim Ka, chairman of Phnom Penh's party committee and people's committee; H.E. Gen. Pol Saroeun, deputy defense minister and chief of the General Staff of the Cambodian People's Armed Forces [CPAF]; H.E. Gen. Ke Kimyan, first deputy defense minister and chief of the CPAF General Political Department; and H.E. Lieutenant General John Sanderson, commander of the military forces of UNTAC [UN Transitional Authority in Cambodia].

Also present were SNC members—such as H.E. Dit Munti, H.E. Sin Sen, H.E. Im Chhunlim, Prince Norodom Ranariddh, and H.E. Ieng Muli—and ambassadors and representatives of various foreign countries accredited to Cambodia.

Hor Namhong Departs 29 Sep

BK2909072492 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 0430 GMT 29 Sep 92

[Text] On 29 September, His Excellency [H.E.] Hor Namhong, member of the Cambodian Supreme National Council [SNC], State of Cambodia [SOC]'s foreign minister, and head of the SOC delegation, left for New York to attend the UN General Assembly.

The delegation includes:

1. H.E. Im Chhunlim, member of the SNC and education minister;
2. Sek Setha, deputy foreign minister;
3. Ambassador Uch Borit, chief adviser of the SNC permanent mission to the United Nations;
4. Pech Sokhen, cadre of the Foreign Ministry.

Head of Australian Defense Forces Arrives

BK2509065192 Phnom Penh SPK in French 0408 GMT 25 Sep 92

[Text] Phnom Penh 25 Sep (SPK)—A delegation from the Australian Defense Ministry led by General Peter Gration, head of the Australian defense forces, arrived in Phnom Penh on 23 September for a five-day visit to Cambodia.

Accompanied by his wife and Gen. Murray Blake, commander of the Australian ground forces, Gen. Peter Gration was welcomed upon his arrival at Pochentong Airport by Gen. Ke Kimyan, first deputy defense minister, and several senior officers of the State of Cambodia [SOC].

Also present were Australian Gen. John Sanderson, commander of the military forces of the UN Transitional Authority in Cambodia, and Major E.P. Chamberlain, military attache of the Australian Embassy to the Supreme National Council.

Gen. Ke Kimyan briefed the delegation on the situation in Cambodia, particularly the progress in the implementation of the Paris peace accord. He denounced the Khmer Rouge for their maneuvers aimed at hindering efforts to restore peace to Cambodia.

The delegation is scheduled to visit the Australian units on mission in Siem Reap-Oddar Meanchey and Battambang Provinces.

Philippines

Ramos Asserts U.S. Pullout No Threat to Security

HK2909040792 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 28 Sep 92

[Text] President Ramos has assured his people that there is nothing to worry about regarding the total withdrawal by U.S. troops from the country. The president issued the assurance two days before the transfer of Subic management from the United States to the Philippines.

It is expected that by the end of November, the remaining 1,400 U.S. soldiers in Subic will leave and return to the United States.

The president stressed that the Armed Forces can ensure national security even after the U.S. troops pull out. The president added that the threat against the country's security comes not from an outside force but from within, in the form of various crimes.

Ramos Urges Communists To Consider Peace Package

HK2909033592 Manila THE CHRONICLE in English 29 Sep 92 p 3

[Report by Cathy Canares]

[Text] President Ramos yesterday appealed to communist leaders to put national above personal interests and be open-minded about the government peace package.

At his weekly press conference, Mr Ramos added that rejection of the government peace offer was a rejection of the Filipino people's desire for lasting peace which he, as duly elected President, represented.

"This comes from Filipinos represented by the President. So if they are refusing or making light or making small of this offer by the Filipino people, it is not the President that is being hurt here, it's the Filipino people's interests," he said.

The President added that released rebel leader Saturnino Ocampo's position that an official end to the insurgency would have to come first before the underground communist movement would reintegrate into civil society was his own and not the people's.

Mr Ramos also said he wished rebel leaders would "discard their mindset about our democracy because I do not know where else they would thrive other than in the Philippine democracy."

Communist leaders have been critical of Mr Ramos' order to release detained rebels. Rodolfo Salas, the alleged Communist Party of the Philippines secretary general, said his recent release was a publicity gimmick since he was kept in jail two months after he had finished his six year term for rebellion.

Meanwhile, at the Kapihan sa Maynila [Manila Coffeeshop] Forum, Ocampo asked the governemnt to include human rights violations in its peace negotiations with rebel groups.

He added that an amicable settlement reached by both groups regarding the human rights issue could replace a cease-fire proposal from some quarters.

Ocampo said this would be easier, since a cease-fire could only be achieved "after a certain degree of confidence" was mutually reached by both the governemnt and rebel groups.

He added that the government should also focus on the issue of human rights violations based on "the whole arena of violence" in the country, and not just the armed conflict.

Ocampo said the offer of compensation to human rights victims "is also important in the negotiations."

Orders Continued Vigilance

HK2909040992 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 28 Sep 92

[Text] President Fidel Ramos has ordered the police and military to remain vigilant in safeguarding the country's security against the communist rebels. The president said there is still a threat by the leftists to pursue their armed struggle against the government despite the repeal of the antisubversion law.

The National Democratic Front stressed it will only come out in the open when an agreement for talks has been reached. It said that the repeal of the antisubversion law is not enough to convince them to abandon the revolutionary struggle.

Official Seeks To Revise Peace Talks Communique

HK2909064092 Manila PHILIPPINE DAILY INQUIRER in English 29 Sep 92 pp 1, 9

[Report by Juliet M. Labog]

[Text] Formal negotiations to end the 23-year communist insurgency may be further delayed as Chairman Haydee Yorac of the National Unification Commission [NUC] yesterday sought a revision of the joint communique for the peace talks.

Speaking at the Kapihan sa Maynila [Manila Coffeeshop] breakfast forum, Yorac said she would "revise" the joint declaration signed by representatives of the government and the National Democratic Front [NDF] in the Netherlands last Sept. 1 before endorsing it for approval by President Ramos.

She said the declaration was "hurriedly drawn up" and the agenda for the peace talks was "abstract and generalized."

In the same forum, former NDF esman Satur Ocampo said Yorac's revisions may not able to the NDF, which approved of the declaration ntirety."

Ocampo told the forum that a revision may necessitate a new round of exploratory talks, which means that the peace process will be further delayed.

The joint declaration was signed by Tarlac Rep. Jose Yap, the President's emissary, and NDF vice chairman Luis Jalandoni during exploratory talks in The Hague last Aug. 31 and Sept. 1.

The declaration prescribed the following agenda for the peace talks: human rights and international humanitarian laws, socioeconomic reforms, political and constitutional reforms, and disposition of armed forces.

The communique was approved by NDF Chairman Manuel Romero but Mr. Ramos tossed it to the NUC for evaluation.

Communist Party of the Philippines founder Jose Ma. Sison and Ocampo have said the President's inaction on the joint declaration was delaying the peace process.

"With respect to the joint declaration, I don't think it has gone down the drain," Yorac said. "What I am saying is that it was hurriedly drawn up and therefore (it) was too broad and abstract."

She said what has been laid down in The Hague as substantive issues for the talks were actually "motherhood issues."

"A more refined definition about the nitty-gritty and about the approaches might be more helpful than the abstract concepts expressed in the joint communique," Yorac said.

"I think the lesson here is that next time, we shouldn't be in too much of a hurry," she said.

Yorac said she has listed modifications in the human rights agenda, particularly in the provisions for the victims of armed conflict on both sides and the economic consequences of the resettlement of those displaced by the insurgency war.

Yorac said she wanted to suggest an "expanded and more effective enforcement of human rights laws."

"The human rights problem is more serious and more widespread than (what political advocates are considering). In other words, we forget about the brutality in police stations because they (victims) are not political activists," she said.

As this developed, Sen. Rodolfo Biazon proposed the creation of a committee of government and rebel representatives to work for lasting peace by initially checking abuses from both sides.

Biazon, who just came from a visit to the United Nations and El Salvador, said this type of committee was crucial in the success of peace negotiations between the government and rebel forces in El Salvador.

Biazon, a member of the NUC, said the El Salvadoran peace committee initially agreed to check abuses from both government and the rebel forces and recommend punishment of violators.

The committee, he said, later drew up the framework which became the basis for the peace negotiations and the implementation of a peace agreement signed last July.

Ocampo Says No Chance of Communist Win at Polls

HK2909052492 Manila BUSINESS WORLD in English 29 Sep 92 p 12

[Report by Teodoro Y. Montelibano]

[Text] The now-legalized Communist Party of the Philippine (CPP) does not stand a chance of winning were it to enter the electoral arena today.

Satur Ocampo, alleged secretary-general of the Nationalist Democratic Front (NDF), umbrella organization of leftist groups in the country, said as much at yesterday's Kapihan sa Maynila [Manila Coffeeshop Forum] at the Manila Hotel.

Asked if he would advise the CPP to register with the Commission on Elections and field bets in the local polls set in 1995, he replied, "No, I would not."

The reply reflects the Left's well-known dissatisfaction with existing sociopolitical conditions in the country, conditions the alleged NDF leader believes hardly attract the Left to participate in elections.

Haydee Yorac, chairperson of the National Unification Commission (NUC) which is tasked to oversee peace negotiations with the NDF/CPP, saw Mr. Ocampo's point.

She agrees it will be difficult for the CPP, or any other leftist group, to make it in any traditional political contest held soon.

The CPP doesn't have the kind of machinery, money, or savvy to effectively match those of the traditional politicians, she noted, despite the latter's popularity having dipped, based on the last elections' results.

The group's only chance, she said, is to "establish collaborative efforts with other reformist parties to overcome" the advantage in finances and logistics of the traditional political parties.

What kind of changes would Ms. Yorac welcome into the electoral system?

"Voter education, better controls on electoral spending, transformation of political parties into issue-oriented organizations" are among them, she said.

Sen. Arturo Tolentino, another guest at the Kapihan, junked the notion that the repeal of Republic Act [RA] No. 1700, or the Anti- Subversion Law, changed the political environment.

"I don't believe it has (had) any practical political effect. Few have been released; many still have cases pending against them."

At best, he said, the repeal of RA 1700 simply restored the presumption of innocence in the law.

Also, he conceded, it was a "good preliminary step. President Ramos showed his desire to reach a settlement with the CPP."

Ms. Yorac said the repeal was "only a confidence-building measure to show that Government is serious about talking about peace."

Such talks are not about to be held yet, she said. For one, the working committees to aid Government and the NDF in the negotiations still have to be organized. The substantive agenda in the communique signed by Government and the NDF in the Netherlands hasn't yet been refined, Ms. Yorac said, explaining why the committees haven't been set up. She said the substantive issues remain "broad and abstract."

Mr. Ocampo questioned Government's desire to raise the defense budget to almost P30 billion [pesos] next year from the existing P27.4 billion. He also questioned the plan to have more Citizens Armed Force Geographical Units despite the military's claim that it has cut the strength of the CPP's armed wing, the New People's Army, to a force of 12,000 men from a peak of some 25,000 in the mid-1980s. Are the military figures right, Mr. Ocampo was asked. He kept mum on the issue, saying he wasn't "in a position to either confirm or deny" the claim. "It's up to the Armed Forces of the Philippines to play their guessing game." Still, he asked for multisectoral support in the coming peace talks. Said he: "We're facing a possible serious and deliberate peace process. We're not rushing into it because we might bump our heads into a hard wall."

Estrada Urges Ridding Police Ranks of Criminals

HK2909041192 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 28 Sep 92

[Text] Vice President Estrada has revealed that 90 percent of the arrested and slain kidnappers are hoodlums in uniform.

In view of this, Estrada has called on high-ranking police and Armed Forces officials, who have neglected their duties toward their constituents who have become criminals, to be more attentive. He added that police and military officials must be made responsible for the criminal activities committed by their subordinates. He stressed the need to reorganize the police department to rid the organization of scalawags and misfits.

Meanwhile, the Presidential Anticrime Commission [PACC] has increased its crime control police force by adding a 40-man team of intelligence personnel, including four or five expert undercover agents who will be under the leadership of Senior Superintendent Joel Canso. Canso's duties will also include coordinating with Task Force Lawin, under Superintendent Reynaldo Veroya, regarding operations that are to be carried out.

Estrada, who leads the PACC, said he will go to Hong Kong to meet with Hong Kong and Taiwan businessmen to convince them to invest in the Philippines.

Thailand

Army Chief Tells Commanders To Support Chuan

BK2909014192 Bangkok BANGKOK POST in English 29 Sep 92 p 3

[Text] Army Commander in Chief Gen Wimon Wongwanit told his immediate subordinates yesterday that he was confident the Chuan Likphai government would be able to run the country without problems.

Gen Wimon's remarks were made to top Army commanders directly under his command during a meeting at the Army Hall.

He instructed them to obey the orders of their bosses and undertake any responsibility the new government assigned them.

He reaffirmed his policy to enhance internal stability by trying to improve the image of the army in the eyes of the people and the world business community to encourage foreign investors to come and invest in Thailand.

Gen Wimon also urged senior commanders to try to understand the role of the local mass media which has been trying to present the views of all sides on local issues.

The mass media is not trying to draw the military into politics, he said.

The Army chief called on senior commanders to open their minds to all fields of information, including the world economic situation, culture and arts and pass their knowledge to their subordinates .

The Army yesterday began its first in a series of brainstorming sessions for senior commanders on current events by inviting Bank of Thailand Governor Wichit Suphinit to lecture them on the current economic and financial situation.

Air Base Investigating Pilot's Intrusion Claims

BK2809013192 Bangkok BANGKOK POST in English 28 Sep 92 pp 1, 3

[Excerpts] Ubon Ratchathani—Royal Thai Air Force Air Wing 21 is making a quiet investigation here following claims by a former South Vietnamese air force pilot that

he intruded into the air base and attempted to steal a combat aircraft on a bizarre one-man mission to drop bombs and anti-communist leaflets over Ho Chi Minh City early this month.

Air Wing 21 commander Group Capt Chuchat Chuanchom told the BANGKOK POST he has launched an investigation into the possibility that an intrusion of the Air Force base took place in the early hours of September 1 by ex-South Vietnamese pilot named captain Ly Tong.

Ly Tong wrote to the BANGKOK POST three days later to say he had failed to steal a United States-made A-37B Dragonfly attack aircraft at Air Wing 21, which is geographically closer to Vietnam than any other air base in Vietnam.

Gp Capt Chuchat seemed surprised when asked about Ly Tong, who calls himself a "freedom fighter" determined to rid Vietnam of "the communist yoke", a term the Vietnamese used in a letter, dated September 4, to the Air Wing 21 commander and sent to the BANGKOK POST.

The incident has raised concern among Air Force officers over the possibility of a self-proclaimed hero trying to use Thailand to launch missions against Indochinese countries, particularly Vietnam, with which Thailand has been promoting trade and other activities, military observers say.

Relations between Thailand and Vietnam would be strained if a Thai Air Force combat aircraft were found flying in Vietnamese air space, let alone used in an anti-communist mission in the Indochinese country, the observers say.

The alleged intrusion in Air Wing 21 during the late evening of August 31 or early morning of September 1 has been kept secret at the air base. Though admitting that there was an unauthorised attempt to start the engine of the A-37B attack aircraft, Gp Capt Chuchat insisted that security at his air base was tight enough to keep uninvited persons out. He would only admit that the intrusion was "slightly possible". [passage omitted]

Gp Capt Chuchat said the possibility of Ly Tong invading his base in darkness on September 1 has "perplexed" the investigating officers. He claimed that security at his air base has always been tight, with dogs patrolling its perimeter, but he admitted that someone may be able to slip out of the adjacent commercial airport and hide in a corner of the air base, waiting for an opportunity to move into the hangars or other restricted areas.

He admitted that Ly Tong may have sneaked into the air base at night in an unsuccessful attempt to steal an A-37B, though this possibility was "remote and slight."

He said an APU [auxiliary power unit] located near an A37B in a hangar was heard to have been started up at 4.10 a.m. on September 1 minutes before schedule. The on-duty air crew came to the scene 10 minutes later and found nobody, but noticed that the APU, which had already been turned off, was warm.

Contrary to Ly Tong's claims, nothing had been left behind in the cockpit of the aircraft by the intruder, the commander said. He said a pilot who has not flown for a long time or has not had much experience with a certain kind of aircraft could not take off without support crew.

Ly Tong's letter to the BANGKOK POST claimed he intruded into the air base at 7.30 p.m. on August 31 and reached the hangar on the southwestern side of the runway an hour later.

"I found one plane instead of two as usual, and the plane had no bombs as I expected... I thought that this must be a hangar on alert, but, in fact, it was just one used for airplane maintenance. Without bombs, I still could use the plane to drop leaflets and bail out of after finishing my mission. I did all the preflight checks, removed all safety pins and ropes, and got in the plane at 10 p.m. to wait for take-off time."

He could not take off, he said, because the A-37B's engines did not work though he had used an APU to assist the batteries. He said he had left behind a map, gauge and a piece of glued cloth in the cockpit.

According to Ly Tong, he gave up his one-man mission at Air Wing 21 but not his efforts to shower Ho Chi Minh City with anti-communist leaflets three days later.

"...will hijack Air Vietnam's flight 850 today (September 4) en route to Saigon (Ho Chi Minh City) to accomplish my mission. After dropping leaflets and bailing out of the plane, I will stay in Saigon to organise and lead the uprising force to overthrow the Hanoi regime as planned..." his letter said.

Gp Capt Chuchat argued that the A-37B's canopy cannot be opened in operational flight or else it will break away at the risk of the pilot. To drop anything from the cockpit, the pilot must open the canopy first. [passage omitted]

In his letter, Ly Tong even knew Air Wing 21's "Eagle" nickname. Nevertheless, the commander said he would rather believe that an "insider" had tampered with the A-37B's auxiliary power unit just to "cause trouble" at his air base.

A combat aircraft like the A-37Bs which are gradually being decommissioned would not be necessary for dropping leaflets on Vietnam, he said. There are several more convenient ways to do so .

"Vietnam is not a closed country any more. One can travel to that country any time more safely," he said.

He has sent the fingerprints of his air crew and other suspects to the Scientific Crime Detection police. It was not known if there were fingerprints found of any strangers. With the help of police, he said, the investigation would be finished in a couple of weeks.

Senators To Cooperate in Amending Constitution

BK2909075792 Bangkok Radio Thailand Network in Thai 0000 GMT 29 Sep 92

[Text] The Senate speaker, Michai Ruchuphan, said senators are ready to fully cooperate with elected MPs with regard to constitutional amendments. The senate speaker made the statement when asked to comment on a move to amend the Constitution to reduce the power, duties, and number of senators. He said any amendment to the Constitution must be made solely in accordance with Thai culture. He said it is a good idea to consider the issue as the Constitution is the highest law governing the people of the entire nation. If the amendments produce positive results, then it will be of great benefit to the Thai people.

On the proposal to eliminate salaries to senators while parliament is not in session, Mr. Michai said the issue should be carefully considered. He said that if such an action is taken, then MPs should also be denied their salaries while parliament is not in session.

Legislators Accuse Anan Government of Corruption

BK2909011992 Bangkok THE NATION in English 29 Sep 92 p A1

[Text] A group of MPs, including three New Aspiration Party members, yesterday asked the Counter Corruption Commission to investigate what they described as "irregularities" in the Anan administration's handling of two major infrastructure projects and concessional contracts.

Seri Tham MP for Phetchabun, Suphot Tangtrakunthai, told reporters he and seven other MPs had submitted documentary evidence to the anti-graft agency seeking an investigation of acting Prime Minister Anan Panyarachun and three other members of his Cabinet for alleged corruption.

Suphot said the infrastructure projects in question were the 3-million-line telephone expansion and the laying of underwater cable between Thailand and Malaysia, while the concessional contracts concerned the waiving of special fees previously collected from major oil distributors.

Other complainants were Seri Tham MP Sumet Phromphanhao, New Aspiration MPs Somphon Siwong, Phaichit Siworakhan and Chaloemyot Saewiset and Social Action MPs Rawi Hiranchok, Aram Amondit and Pricha Rengsombun.

They charged that Anan, then chairman of the National Energy Board, acting Deputy Prime Minister Kasemsamoson Kasemsi, Acting Science Minister Phaichit Uathawikun and Acting Industry Minister Sippanon Ketuthat had revised the concessional contracts with major oil distributors, Esso, Caltex and Shell, to abolish collection of a special fee of two per cent of their total sales value.

They also accused the four of colluding to change the contract with Thai Oil to exempt the oil refinery from paying 35 per cent of its income before tax to the government.

The complainants said the changes brought about by the four had deprived the government of Bt600 million a year, which would eventually rise to Bt2.8 billion a year in uncollected fees.

"We believe they did it (change the contracts) with dishonest intent and their act caused a great financial loss to the government," they said.

Suphot also charged that Anan and acting Communications Minister Nukun Prachuapmo had caused the Telephone Organization of Thailand and the government to lose Bt132 billion (projected over 25 years) because of the delay after they ordered the revision of the two-million-line telephone expansion project in Bangkok and another 1-million-line expansion project upcountry.

The complainants also accused Anan and Nukun of being biased in favour of NEC which finally won the contract to lay the underwater cable.

Vietnam

Vo Van Kiet Chairs Last Cabinet Meeting

BK2909092592 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 27 Sep 92

[Text] On the afternoon of 27 September the Council of Ministers held its last meeting under the chairmanship of Comrade Vo Van Kiet, who was recently elected prime minister of the government by the Ninth National Assembly. Attending were Vice Chairmen Phan Van Khai, Nguyen Khanh, and Tran Duc Luong and all members of the Council of Ministers.

The Council of Ministers made a general assessment of what has been or has not yet been done, as well as what has been contributed by its members, and presented its favorable experiences in leadership and management in its recent term of office. It also unanimously agreed on a number of immediate tasks in the program of action for the next term of office to be handed over to the newly elected government for management in accordance with the law on the organization of the government.

In his speech, Prime Minister Vo Van Kiet pointed out the important initial achievements in the process of comprehensive renovation recorded by our people, especially in 1992, under the party's leadership, thus leading to a political, economic, and social stability which has surpassed that of any other period of time and which is gaining momentum for further progress.

He said: All citizens, sectors, and echelons have the right to be proud of these achievements and all members of the Council of Ministers are highly elated at the fact they themselves have contributed a small part to these achievements.

Prime Minister Vo Van Kiet added: The responsibility delegated by the National Assembly to the government in this term of office is extremely weighty. However, the government will resolutely strive to firmly maintain and develop the results that have been achieved, as well as to effectively overcome all weaknesses. In the immediate future, it will continue keeping inflation under control, stabilizing the financial and monetary situation, and creating favorable conditions for our people to step up economic development, improve their livelihood, fulfill all socioeconomic targets for 1992, and make preparations for 1993.

The prime minister expressed the hope that all members of the government, who were elected by the Ninth National Assembly, will exert their all-out efforts and will assume full responsibility for their tasks, in order to be worthy of the trust of voters and the National Assembly.

Vo Van Kiet Meets Local Newsmen 24 Sep

BK2909094392 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 27 Sep 92

[Report by correspondent Tran Thien Nhien on Prime Minister Vo Van Kiet's "meeting with local newsmen" during the 24 September afternoon break of the Ninth National Assembly at the flower garden inside the Ba Dinh Conference Hall compound shortly after his reelection by the National Assembly—read by announcer]

[Text] The prime minister was mobbed by a large number of newsmen of both sexes belonging to various dailies, weeklies, and television and radio stations at the central and local levels. It can be said that this was a rare meeting, given the time limit, the diversity of the issues discussed, and the cordial and open-minded atmosphere generated by a mutual understanding between the head of the government and the local newsmen.

Correspondents competed in asking him many questions because they knew that this was a rare opportunity and that they had only 30 minutes during the break time to conduct the interview. As one of them, I had to strive to note down everything said in the interview while thinking about questions which I was going to ask. Therefore, I cannot remember all the questions raised by my colleages and to which newspapers they belong. I think that this does not matter. What matters most is the proceedings of the interview, which I am going to present as follows:

[Unidentified correspondent] My congratulations, Mr. Prime Minister, on your being entrusted by the National Assembly with the duty of heading the government. Could you, Mr. Prime Minister, speak a few words concerning the government's plans?

[Vo Van Kiet] Thank you. After the National Assembly approves the cabinet list, I will present before the National Assembly my government's action program. You, friends, will be kept informed of this. We are determined to struggle to maintain and develop those achievements already gained, to positively overcome difficulties, weaknesses, and deficiencies, renovate the executive apparatus in a gradual and comprehensive fashion, intensify guidance for the implementation of various socioeconomic objectives, and broaden relations with friends in the world, thus taking the country forward in the new situation.

[Unidentified correspondent] Mr. Prime Minister, as the U.S. President has just decided to extend the trade embargo against Vietnam by another year, will this have any impact on our country's renovation undertaking?

[Vo Van Kiet] Whether or not the U.S. embargo is lifted, it can in no way affect our people's determination to take the renovation undertaking forward. As you, friends, see it, we have, over the past few years, achieved much. We have, of course, also met difficulties. I would like to remind you of the following two things:

First, the U.S. embargo has caused difficulties and sufferings not only to our people but also to the United States itself. The U.S. embargo has also had an adverse impact on the region and the world as a whole. Therefore, the sooner the United States lifts its embargo against Vietnam, the more both sides can benefit from this.

Second, it is not the case that what has been achieved by our people over the past few years is due to the U.S.'s easing of its embargo. They are results we ourselves have achieved in the most difficult situation.

[Unidentified correspondent] Could we bring out this issue for public discussion?

[Vo Van Kiet] It is up to you. It is your job. The government will not interfere. [laughter]

[Unidentified correspondent] Mr. Prime Minister, from now to the end of the year, will there be any good news on wages and employment?

[Vo Van Kiet] There are only three months left between now until the end of the year. The time is too short to do anything remarkable in this domain. As the government already has its plan, it will try and to the best of its ability.

[Unidentified correspondent] Mr. Prime Minister, does the government have any effective policies or measures to tap the wisdom of the contingent of scientists in the service of the common cause?

[Vo Van Kiet] This is an important matter to which attention has been paid by the government. Organizations will be set up to rally scientists. Of course, there will be an employment policy and conditions attached.

[Unidentified correspondent] Mr. Prime Minister, people in the country are very indignant over the presence of corruption as it feels that the government is very impotent in dealing with this problem. Could you comment on this?

[Vo Van Kiet] This is a painful, very painful, problem for us. To eradicate this, we should do many things and should be very patient. The government has taken many measures to figh. corruption, smuggling, debauchery, and lavish spending and is trying to carry out these measures more effectively. The government, however, cannot do this job alone. It needs close cooperation among various echelons, mass organizations, and the people, including you—the newsmen.

[Unidentified correspondent] Apart from difficulties, are there any favorable conditions for implementing this task? If so, what are they?

[Vo Van Kiet] Let me tell you that if we are not stern and determined enough, we will not be able to deal with corruption effectively. We should eradicate corruption harmoniously from top to bottom. As for those cases which have already been brought up and referred to legal organs, they should be dealt with sternly in accordance with the law. I am still uncertain about what to do if law enforcement organs refuse to take action or take action which is not harsh enough against a corrupt case after it is brought out into the open. This is a difficulty. As for favorable conditions, the party, the state, and the people are determined to get rid of corruption, and public opinion is condemning corruption. All these are essentially favorable conditions for us, which will help us carry out our struggle successfully.

[Unidentified correspondent] Could you, Mr. Prime Minister, comment on the role of the press on this score?

[Vo Van Kiet] Very good. However, there have been many corrupt cases, which were highlighted by the press and for which the people angrily demanded punishment, left in limbo. The culprits continue to lead a free life beyond the reach of the law. As I have already told you, we should carry out this task harmoniously.

[Unidentified correspondent] There has been a cartoon in a newspaper showing a muscled man hacking a corrupt tree with an axe. The result is that the tree is unharmed but the axe is dented.

[Vo Van Kiet] Then let us recheck the axe. The press has struggled against corruption under various diverse forms. Basically, in this domain, our press has over the past few years struggled in a satisfactory fashion. The government has taken note of this. Now we can draw on lessons about what we regard as unsatisfactory. A problem now posed to everyone, to you, and to the government is how to achieve close cooperation in the exchange of information and views. You, friends, can establish contact with the government and bring up your interesting questions for an exchange of views with the government. We should cooperate if we are to do this job satisfactorily.

[Unidentified correspondent] Thank you, Mr. Prime Minister, for your concern for the press. But how can this contact be established? For instance, to whom we are supposed to talk, and where?

[Vo Van Kiet] The easiest address to remember is the government—the office of the government.

The prime minister, in a happy mood, said laughingly that perhaps you, friends, want to refer to difficult procedures. Do you? Our administrative apparatus is still cumbersome and bureaucratic. This has more or less created a gap between us. We should gradually improve this situation. In writing the government, you, friends, should address the envelope like this: The Office of the Government.

At this point, everyone exploded into laughter. Then the bell rang, signalling that the break was over. Prime Minister Vo Van Kiet raised his hand in a friendly good-bye guesture for the newsmen and hurried back into the conference hall.

Newly Elected Leaders Hold News Conference 24 Sep

BK2909105592 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 24 Sep 92

[Report by station correspondent Tran Thien Nhien on a 24 September news conference by newly elected SRV leaders at the Ba Dinh Conference Hall in Hanoi—passages within quotation marks recorded]

[Text] Dear friends, on the afternoon of 24 September, the newly elected National Assembly and State leaders held a cordial news conference at the Ba Dinh Conference Hall in Hanoi. A large group of newsmen from news agencies, radio and television stations, and newspapers at home and abroad attended the function.

Also attending the news conference were Le Duc Anh, president of the SRV; Nguyen Thi Binh, vice president of the SRV; Vo Van Kiet, prime minister; and Nong Duc Manh, chairman of the National Assembly.

Comrade Vu Mao, member of the National Assembly Standing Committee, directed the news conference.

After briefing newsmen on the activities of the National Assembly during the past several days, Comrade Vu Mao introduced Chairman Le Duc Anh to the newsmen.

Chairman Le Duc Anh, on behalf of the newly elected National Assembly and state leaders, thanked countrymen throughout the country for their trust and confidence in the new leadership. He pledged that the new leaders would do their best to accelerate the implementation of the renovation undertaking, thereby directing the country forward. He also thanked foreign newsmen who closely monitored and promptly reported in a relatively objective manner, the developments of the SRV Ninth National Assembly's first session. Chairman Le Duc Anh said: "Vietnam always wants to befriend all countries in the world community. I hope that you newsmen will contribute to making people in the world understand Vietnam better, especially in regard to its domestic and foreign policies."

Afterward, the new leaders answered a number of questions asked by newsmen.

Answering questions asked by correspondents of Reuters, AFP, and AKAHATA on Vietnam's foreign policy and relations between Vietnam and China, Chairman Le Duc Anh said: "If we have conflicts with neighboring and other countries in the region, we will try to settle these conflicts through peaceful negotiations so as to defend our national independence, sovereignty, and territorial integrity while striving to befriend all nations in the world. Regarding Sino-Vietnamese relations, our two countries have enjoyed a time-honored relationship which is beneficial to both peoples. Indeed, we earnestly wish to live in peace and friendship with each other."

Answering a Reuters correspondent's question on our state policies toward nationalities and women in Vietnam, National Assembly Chairman Nong Duc Manh said: "I should say that the people have elected competent deputies to the Ninth National Assembly who will reflect the aspirations and wishes of people throughout the country. They also represent the great unity of various nationalities in Vietnam. Our policy is to strengthen the great unity of the Vietnamese people of various nationalities. As a result, our party and state have unswervingly adopted a policy in this orientation, thus equality is assured for all nationalities and women in our society. Since our nation is composed of various nationalities, the composition of our National Assembly deputies is based on this reality. The fact that we have been elected to various important positions, as you already know, make us realize that we have the duty, together with the entire National Assembly and other sectors and branches, to satistactorily implement the lines and policies of the party and state, thereby gradually helping regions to overcome difficulties in the socio-economic situation, while striving to maintain equality for all."

Dealing with the same issue, Nguyen Thi Binh, vice president of the state, said: "The role of women in leading state agencies can be seen in the National Assembly's election of women to these posts. First, I would like to say that in my case I have been elected to one of the higher positions. I would like to mention here that two more women have been elected to the National Assembly Standing Committee and that women accounted for 18 percent in the total number of deputies to the Ninth National Assembly. However, we are not satisfied with this percentage. As a result, we will strive to increase the percentage in the next National Assembly elections."

Answering the question from a correspondent of the paper SAIGON GIAI PHONG on our state policy on anticorruption and smuggling, Prime Miniser Vo Van Kiet said: "The government has taken many measures to suppress corruption and smuggling [words indistinct]"

In conclusion, Comrade Vu Mao thanked newsmen and pledged that he would provide full information on the proceedings of the Ninth National Assembly's first session in the next several days so that the newsmen could quickly file prompt, accurate reports on the National Assembly.

Deputies Discuss Draft Law on Government

BK2909064992 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 24 Sep 92

[Unidentified station correspondent's report on 24 September Ninth National Assembly debate on draft law on government organization—passages within quotation marks recorded]

[Text] Dear friends, on 24 September, the National Assembly spent a lot of time debating the draft law on the government organization with more than 40 delegates giving their views. Generally, their views were concrete and based on the spirit of the Constitution, the objective of the draft law, and Prime Minister Vo Van Kiet's report on the structure of government. Most of the deputies' views focussed on the following four issues:

First, the necessity of having a good governmental structure, and a definition of the Prime Minister's duty in forming the government;

Second, the necessity of clearly defining the role, position, function, and qualifications of the deputy prime ministers and various ministers;

Third, the specification of the role and position of the governor of the Vietnam State Bank; and

Fourth, the definition of the relationship between the government and mass organizations.

In the discussion on the first issue, many deputies claimed that the draft law had not clearly detailed the government structure. Deputy Le Ngoc Toan from Thanh Hoa Province said the draft law stressed government activities, while referring vaguely to its structure.

Deputy Le Phuong Tung from Hanoi suggested that it is necessary to review and learn from the activities of the Council of Ministers of the past 10 years before they begin discussing the draft law on the government organization.

Earlier, at their group discussion, National Assembly deputies debated at length the key tasks of the prime minister, especially in forming a government to be presented to the National Assembly for approval.

Speaking on this issue, Deputy Phan Quang from Thai Binh Province said:

"I agree with the general stipulations of the draft law. However, I would like to stress two points: First, in the general stipulations, we stressed the principle of democratic centralism. That is in line with the Constitution. Nevertheless, we must clearly state the significance of the prime minister in forming and controlling the government. As a result, in Article 2, I suggested that we add

an item to the part on the government formation. This is because after the National Assembly has elected the prime minister, the government should be formed. Item 2, chapter two of the draft law specifies that the National Assembly shall approve the prime minister's recommendations on the appointment, termination, and discharge of deputy prime ministers, ministers, and other members of the government. This is a personnel matter and does not concern the government organization. As a result, I would like to suggest that we add the following: The prime minister shall form the government and make recommendations to the National Assembly in the approval, appointment, and termination of the members of the government. Second, I would like to suggest that when we talk about the formation of the government, we should emphasize the need for a structure of the various ministries and so forth."

Dear friends, Deputy Nguyen Dinh Ngo from Thua Thien-Hue Province suggested the following:

"I would like to remind all deputies that we are discussing the draft law on the government organization with the 1992 Constitution in our possession. So, I would like to suggest that when we contribute our views on the items in the 1992 Constitution, that we add to what is already there. Otherwise, it is useless. For example, article 2 of the draft law stipulates the composition of the government, while Article 110 of the Constitution states that the government is composed of a prime minister, deputy prime ministers, and other members of the government."

Dear friends, many other deputies have suggested that we clearly define the relationship between the government and the administrative agencies in provinces, districts, wards, and lower levels. On this issue, Deputy Dang Khoi from Nam Ha Province said:

"Article 1 of the draft law stipulated that the government is the highest administrative organ of the state and so forth. Next, the article asserted that the government must uniformly manage and carry out political, economic, cultural, social, national defense, security, and foreign affairs tasks while striving for the efficiency of the government mechanism. I would like to add the phrase: the efficiency of the government administrative mechanism from the central to the grassroots levels. At the central level, I suggest that we specify the administrative boundary of a province which would include cities and districts in bracket, and district which included villages, wards, and hamlets in bracket. This is because we are presently doing research and studying the management and inheritance of land use on a long-term basis for peasants. Therefore, the local administration is a very important isssue. In our research, we have found that many sectors are not sure whether we should adopt a four- or five-level administration system. I think when we talk about state administrative management from the central to the grassroots levels, we should classifly the various echolons, for instance, from province to city, and from district to ward and village, as I mentioned earlier."

Dear friends, similar to the government structure is the extensively discussed role and position of deputy prime ministers and ministers. Most of the deputies believe we should have two to three deputy prime ministers, with each taking charge of a number of sectors so that we do not have to appoint ministers to be in charge of specific areas.

Deputy Nguyen Ngoc Chan [not further identified] had this to say about our country where 80 percent of its population live in rural areas:

"Agricultural and rural issues are very important to a country where more than 80 percent of its population are peasants. Therefore, I think one deputy prime minister from out of the two or three should oversee agriculture, rural development, and peasants' affairs. Here, again, I stress that more than 80 percent of our population are engaged in agriculture."

There are two different views on whether we should include the Governor of the State Bank as a member of the government. The first says we should. Deputy Nguyen Ngoc Truong from Ho Chi Minh City said:

"Given the current situation in our country, I think the governor of the State Bank should be a member of the government. In some market economy countries, the governor is not a member of the government but is attached to the president. The issuance and circulation of money, as a result, rests with the president and the governor. In our system, however, we are striving to reduce inflation. So, the issuance and circulation of money are very important and must be the responsibility of the entire government. Thus, if the governor is not a member of the government, the prime minister and his government cannot manage and control the issuance and circulation of money. This may cause numerous difficulties as we are striving to reduce inflation."

The second view suggests that the governor of the State Bank be excluded from the government because in addition to its monetary management function, the State Bank also assumes the task of managing business activities.

On the relationship between the government and mass organizations, most of the deputies agreed on having a system that clearly defines this relationship to avoid duplication or unnecessary interference that may affect the role and function of mass organizations as well as the government's efforts to rally the people's contributions to national construction and defense.

Dear friends, one of the issues of the draft law that was debated scintillatingly among national assembly deputies is the number of government members, especially ministers in charge of ministries or agencies at ministerial levels; the separation, merger, and establishment of new ministries; and other related matters.

Deputy Tran Dinh Phung from Hai Hung Province suggested that the draft law should specify the qualifications of the members of government. On the organization of ministries, it is necessary to ensure the principle

of compactness, orderliness, effectiveness, and to eliminate the intermediary agencies when we have a ministerial structure.

Deputy Linh Ngoc Phan [not further identified] suggested the following phase be added to the draft law: If ministers cannot fulfill their duties, they should resign. Many other deputies suggested that the draft law should add that the government has the duty of respecting and developing the people's right to mastery, and that it should pay more attention to improving the people's cultural and spiritual lives.

28 Sep National Assembly Proceedings Reported

BK2809153992 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 28 Sep 92

[Report on 28 September National Assembly proceedings, with recorded portion of speech by Prime Minister Vo Van Kiet]

[Text] Today, 28 September, is the eighth day of the first session of the Ninth National Assembly.

In the morning the deputies met at the Ba Dinh Conference Hall. Prime Minister Vo Van Kiet delivered a report in which he asked the National Assembly to decide on the personnel lineup for various ministries and those agencies at the corresponding level, and to ratify the Cabinet lineup.

Prime Minister Vo Van Kiet reviewed major Cabinet shakeups since 1987 and the strengths and weaknesses of the old Council of Ministers system, and presented guidelines for organization of the government. Prime Minister Vo Van Kiet said:

[Begin Vo Van Kiet recording] Generally speaking, since 1987 we have rearranged 18 ministries and state-level committees, 14 general departments, and agencies at the corresponding level in order to set up new ministries. Government agencies, formerly totalling 71, including 31 organs subordinate to the Council of Ministers, have been cut to 44, including 26 organs subordinate to the Council of Ministers, and 18 other agencies.

My observations are as follows: In our rearrangement and rectification efforts, we have further overcome the situation in which there were too many ministries and general departments due to a misconception that each economic or technical sector was to be managed by a government agency. We have unanimously decided to have one ministry exercise its state management over those areas previously managed by many ministries and general departments and have reduced the overlap in the state management functions between various ministries and general departments. The business functions of various economic units have also been initially defined in a more clear fashion, as have their economic activities. As a result, after being reorganized the majority of ministries and those agencies at the corresponding level have performed their functions and tasks more satisfactorily in line with the new mechanism. In providing guidance for sectoral management, our efforts have been more concentrated and harmonious and have produced initial results. The government as a whole and each member of the government have further concentrated on enforcing the law and dealing with various structural policy matters.

These achievements are initial improvements in the government's supervision over work implementation. This has contributed to initial yet important socioeconomic renovation achievements.

In rearrangement and rectification of various agencies, the Council of Ministers have, however, displayed certain shortcomings. Earlier, although with the Nationalities Committee already set up, there was an absence of clearly defined tasks and operational procedures suitable to the function of an intersectoral coordination organ. Therefore, the Nationalities Committee was unable to fulfill its tasks satisactorily and had to be dissolved.

Due to requirements, the Council of Ministers has set up a Mountain and Ethnic Affairs Office. This office has, however, existed only in name, and has therefore been unable to perform its required tasks.

In certain cases the Council of Ministers has merged many organizations of different character and operational procedures into one ministry. For instance, tourism has been merged into the Ministry of Culture and then transferred to the Ministry of Commerce; the post and telegraph sector has been merged into the Ministry of Communications and Transportation; and the physical education and sports sector has been merged with the Ministry of Culture and Infomation. Along with the irrational merging of these agencies, there has been a lack of appropriate management mechanism for those units previously belonging to various general departments under the direct jurisdiction of the Council of Ministers. This has more or less affected the growth of these sectors.

Thus, it can be observed that basically, the rearrangement and rectification of those governmental agencies in the recent past have suited the renovation of the management mechanism and have, in fact, produced positive results. In implementation, there have been scrupulous preparations and discussions. Procedures have been correctly observed. For instance, the Council of Ministers has studied necessary rearrangements, asked the party for advice, and then presented its views to the Council of State for consideration and a decision prior to submitting the final results to the National Assembly for ratification.

We think that linking the rearrangement of organizations with the transformation of the management mechanism cannot be done once and for all. A number of irrational cases have existed due to careless consideration. These cases are, however, not numerous. The rest has been done as planned and there are no cases of actions being carried out at will.

That is the first point. The second point is the projected organizational structure of the new government. The organizational structure of the new government to be presented before the National Assembly at this session is based on the Seventh Party Congress resolution, on the 1992 Constitution, and on National Assembly documents. It is also based on what is acceptable and what is unacceptable in those arrangements made over the years, taking into account the realities of the government's long-term work supervision. According to the new management mechanism, ministry-level management organs are not numerous. Besides necessary ministries such as national defense, interior, foreign relations, justice, education, public health, and so forth, other ministries having to do with the economic field must be organized in a more compact fashion.

It is necessary to establish and promulgate the system of laws and stipulate the system of state management over those ministries responsible for the activities of state business enterprises. On this basis, it is necessary to discard the system of host ministries for state business enterprises. Ministries should concentrate their state management task on handling all business enterprises of different economic components within the sector or within the area under their responsibility.

The third point is that we should prepare to provide additional training to the contingent of state management cadres and enterprise management cadres. Experience shows that linking the organization of the state management apparatus with the renovation of the management mechanism should be carried out step by step. [end recording]

Also this morning, President Le Duc Anh presented a list of vice chairmen and members of the National Defense and Security Council for National Assembly approval. Then, Comrade Vu Mao, head of the National Assembly Secretariat, read a compiled report of deputies' opinions on the draft bill on organization of the government.

Throughout the session the deputies have contributed many opinions to chapters, articles, and items of the draft bill. Besides suggestions to correct the wording of the draft bill, they have also submitted suggestions for supplementary articles and corrections to the wording of contents of chapters of the draft bill.

Concerning the content of the draft bill, the deputies focused on issues such as: definition of the duties and powers of the government, prime minister, and Cabinet members. Some said it is necessary to clarify the relationship of the government as well as Cabinet members with the National Assembly and mass organizations, the relationship of ministries with ministerial level organs, and the responsibility of ministers in economic management. Some asked the National Assembly to consider the necessity of establishing positions of ministers-in-charge.

In the chapter dealing with the duty and power of the government, many opinions said the government not only coordinates with responsible state organs in preventing and fighting negative activities, but must quickly deal with different criminal acts and illegal activities. The deputies stressed that the government's attention to the living standards of the ethnic minority people should be addressed in the draft bill. They also suggested that national defense duties should be placed parallel to the duties of economic construction. The capacity of economic management cadres at the grassroots level should be upgraded. The social, health, and education service should be given more attention.

Despite different viewpoints on certain issues, the deputies agreed for the National Assembly Secretariat to amend the draft bill one more time before passing the bill in this first session.

After Comrade Vu Mao finished his report, National Assembly Chairman Nong Duc Manh and the deputies contributed more ideas on the draft bill on the organization of the government. The National Assembly then reached agreement on some issues concerning the draft bill.

In the afternoon the deputies met in their provincial groups to discuss the state president and prime minister's proposals.

Tomorrow, 29 September, the National Assembly will continue its work at the conference hall.

Communique No 6 Issued

BK2809162692 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 28 Sep 92

[Communique No. 6 of the first session of the Ninth National Assembly]

[Text] On 28 September 1992, the National Assembly held its plenary session at the conference hall under the direction of National Assembly Chairman Nong Duc Manh.

In the morning, the National Assembly listened to a report by Prime Minister Vo Van Kiet requesting National Assembly's decision on the name list of ministries and ministerial level organs and approval on the appointment of deputy prime ministers, ministers, and other government members.

President Le Duc Anh delivered a report, requesting National Assembly's approval on the formation of the National Defense and Security Council.

Authorized by the National Assembly Chairman, Vu Mao, chief of the National Assembly Secretariat, presented a report combining viewpoints of deputies and planning for the amendment of the draft bill on the organization of the government. Afterward, the National Assembly continued discussing the draft bill.

In the afternoon, the deputies met in their provincial groups to discuss more on the draft bill and on the government's organization structure.

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